

CITY OF WANNEROO  
**ANNUAL REPORT**  
2014/2015





# CONTENTS

<b>A message from the Mayor</b>	<b>04</b>	Corporate Governance	47
<b>A message from the CEO</b>	<b>06</b>	Asset Management	48
<b>INTRODUCTION</b>	<b>08</b>	Enterprise Risk Management	48
Welcome to the Annual Report 2014/15	09	Audit and Risk Committee	50
How to read our Annual Report	09	Internal Audit	51
Our Purpose	10	External Audit	51
<b>OUR CITY</b>	<b>12</b>	Significant Audit Issue	51
City Profile	13	Contracts and Purchasing	52
History	13	Occupational Safety and Health (OSH)	52
Key Features	13	<b>OUR ORGANISATION</b>	<b>54</b>
Demographic Population	14	Our Executive Leadership Team	54
Growth and Development	14	Our Employees	57
<b>THE YEAR IN REVIEW</b>	<b>16</b>	Salaried Employees	57
Financial Health Overview	17	Staff Profile	57
Operating Revenue	17	Awards and Recognition	60
Operating Expenses	19	<b>OUR PERFORMANCE</b>	<b>61</b>
Result from Operations	20	Integrated Planning Framework	62
Capital Expenditure	21	Strategic Community Plan	64
Actual Performance against Original Budget	24	Pillars and Strategic Objectives	65
Financial Position	25	Measuring the Strategic Community Plan	66
Financial Ratios	26	Community Satisfaction against the City's four Pillars	66
Looking ahead – Planning for 2015/16	28	Corporate Business Plan	69
Service Delivery Overview	29	Major Capital Projects	70
External Awards received by the City during 2014/15	30	Our plans for the next 12 months:	80
<b>GOVERNANCE</b>	<b>31</b>	Operational Actions Performance	81
Democratic Governance	32	Pillar: Environment	82
Our Councillors and Council Wards	32	Pillar: Social	91
Council Elections	34	Pillar: Economy	107
The Role of the Mayor and Councillors	34	Pillar: Civic Leadership	117
Elected Member Conduct	34	<b>ADDITIONAL STATUTORY INFORMATION</b>	<b>132</b>
Ethics	34	Land Transactions (Major, Other, Exempt)	132
Compliance	35	Compliance with State Records Act	134
Council Meetings	35	Freedom of Information (FOI)	134
Disbanded Committees and Working Groups	39	National Competition Policy	134
Chief Executive Officer and Delegations	39	Local Laws and Council Policies	135
Citizenship Ceremonies	39	Disability Access and Inclusion Plan	136
Connecting with our Community	39	Wanneroo Library and Cultural Centre Gift Fund	136
Inwards Investment – Grants	46	Deductible Gift register	136
Volunteers	46	Public Interest Disclosures Act 2009	136
		<b>FINANCIAL REPORT</b>	<b>137</b>



# MAYOR'S MESSAGE

It is with great pleasure that I present to you the City of Wanneroo Annual Report 2014-15. This report provides important information on our performance and achievements. It shows the City's strategic and financial positions and details performance in meeting the priorities outlined in our *Strategic Community Plan (2013 – 2023)*.





The Annual Report charts our progress over 12 months of exceptional growth and challenge. Our population continues to grow at the rate of 8,000 people each year – this is an exciting trend, bringing a vibrant energy to our community.

We welcome the diversity of a fast-growing population and we are very mindful of the associated challenges. The role of Council is varied as it works to deliver infrastructure, facilities and services that meet the needs of our community.

To maintain a vibrant City, we have strategically allocated our budget to achieve a diverse range of projects throughout the City.

Council invested more than \$47 million in key community infrastructure and facilities in this reporting period which will benefit many generations to come.

In recognition of community health, the City launched the Public Health Plan to promote social wellbeing, and identify opportunities to create more liveable communities. Programmes include: the fantastic Your Move programme, Scores on Doors – a food business rating programme – and our involvement with the important ECU Health Centre. These initiatives resulted in the City being awarded the overall winner of the 2014 Children's Environment and Health Local Government Report Card presented by the Public Health Advocacy Institute of Western Australia. This achievement also acknowledged the development and delivery of our first Early Childhood Policy and Strategy.

The City has proudly been recognised by many Award programmes including the State Australian Water Association Awards; the WA Premier's Awards; 2014 Perth Airport WA Tourism Awards and the Auscontact Association National Awards.

It is a challenge meeting the demands of a fast growing community, however we embrace the challenges while continuing to celebrate our many successes and achievements. The scale of Wanneroo's growth is significant

and that presents many opportunities for us to work with the Federal and State Governments to develop our great City.

Through our advocacy work we welcomed the opening of the much needed Butler Train Station, the early commencement of the Mitchell Freeway Extension Project and the State Government's sub-regional planning framework which identified the City as a major supplier of land and employment. We will continue to work hard and advocate for more roads, rail and reserves to unlock the economic potential of our region through the City's Advocacy Strategy and Tri Cities Alliance.

Council is committed to engaging with the community on issues that affect them throughout the decision-making processes. In 2014, we adopted our first Community Engagement Policy that governs our processes as a listening Council. Meet the Mayor meetings are regularly held throughout the community and Council Meetings 'on tour' in Two Rocks, Quinns Rocks and Alexander Heights were held in March, May and July 2015.

The City will continue to listen, liaise and support the community as we achieve outcomes for the City of Wanneroo.

The City's new website, which was launched in October 2014, illustrates our commitment to innovative and effective communication and will shape the digital future of the City. Online access can be created with a personalised account page.

Our City is blessed with natural assets, from the spectacular beaches to beautiful bushlands, however these abundant bushlands do put us at risk of seasonal bushfire. In January 2015, a bushfire raged through more than 1500 hectares of land, threatening the safety of residents and homes in Pinjar, Carabooda, Yanchep, Alkimos, Eglinton and Butler. With help from the Department of Fire and Emergency Services (DFES) firefighters, and our dedicated volunteer firefighters, the Red Cross and other partners, the

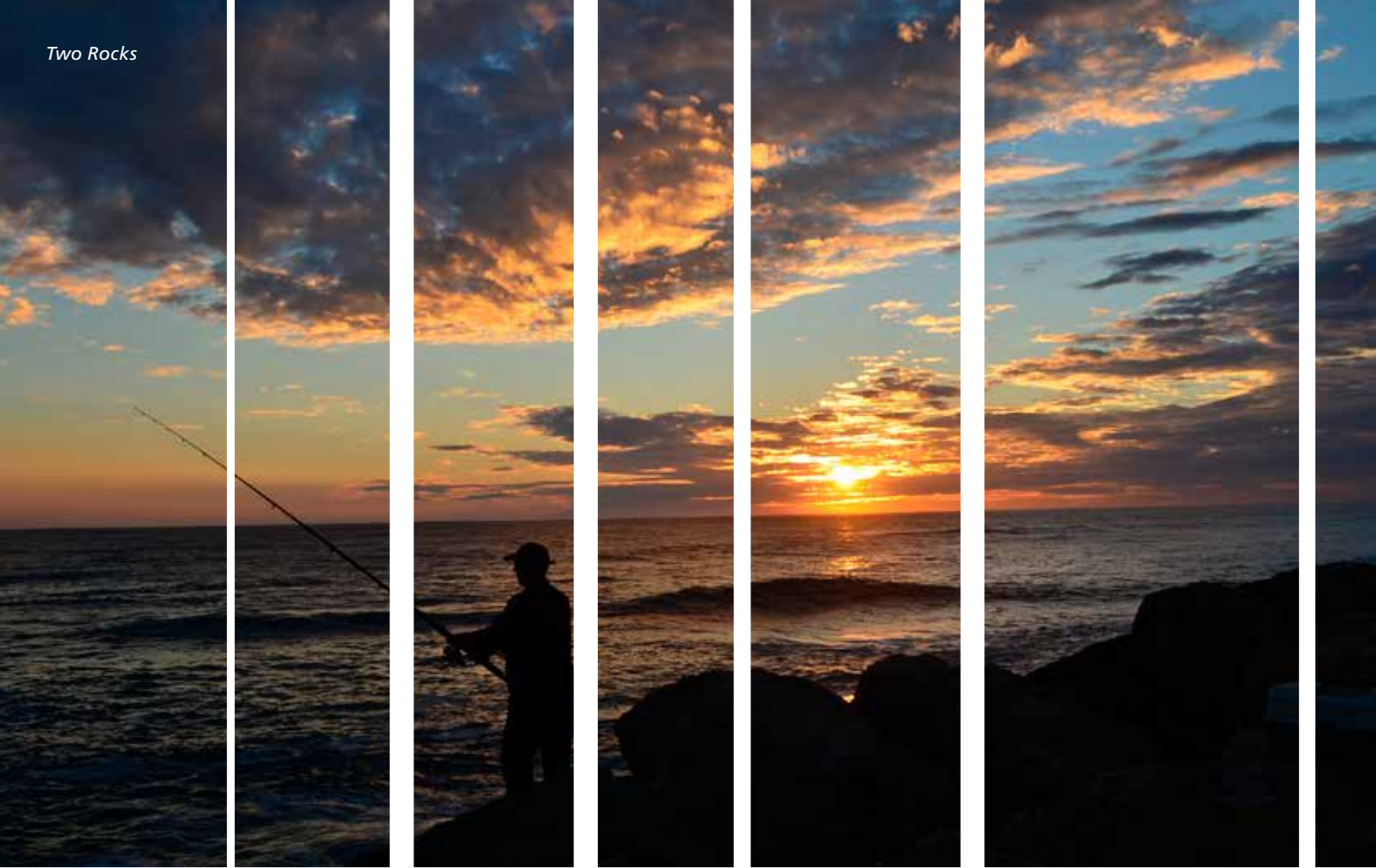
City stepped in to assist in bushfire recovery and education. On behalf of the City, I would like to acknowledge the dedication and hard work of our volunteer firefighters and emergency services personnel who put their lives at risk to keep our families safe.

I would also like to recognise the hundreds of hours of voluntary time donated by our surf lifesavers who patrol our beaches. The care and compassion demonstrated by our volunteers and residents are qualities of a progressive community, which is built on the foundations of our Pioneers.

As a full-time Mayor, I take my responsibility to listen and represent the views of the community very seriously. We are a stronger community when we listen to each other and work together and this has been evident during the past 12 months. I would like to sincerely thank all Councillors for their support and commitment to the City of Wanneroo. I would also like to thank our Chief Executive Officer, Mr Daniel Simms, his Executive Team and our staff. Everything we achieve would not be possible without the support and input of our residents, local businesses and community groups.

Our City is full of potential and I am honoured to be part of a team that ensures we continue to work towards a stronger tomorrow for future generations.

**Tracey Roberts JP**  
**Mayor**



# CEO'S MESSAGE

The 2014/15 financial year has been one of great challenge, great change and more importantly greater achievements. As a City we continue to go from strength to strength. Our purpose is to provide our community with the quality infrastructure, facilities and experiences that they value.



One important measure of our achievements is how the community perceives them. An independent community satisfaction survey commissioned by the City revealed deep satisfaction among residents with the services provided to them. Worthy of mention is the City's overall performance, which is above the industry average - 86% of residents were satisfied with the City's performance and 90% were happy to live in the City. Key increases in community satisfaction can also be seen in economic development, job creation, environmental management, safety and security.

The Corporate Business Plan is the City's contract with the community, an agreement that aims to deliver progress for the future in line with our shared vision of 'Building a Future Together'. This is a rolling four year plan that is reviewed each year and demonstrates the City's commitment to good governance, sufficient resources, connectedness and advocacy. Of 318 capital projects, the City identified 42 major capital projects for the financial year and it is pleasing to report significant progress on many of them.

The City's advocacy on a state and national level continues to forge ahead with our regular and concerted efforts to secure backing and funding for important infrastructure projects from other tiers of government. We recognise, as our City grows at an exponential rate, the crucial need to plan ahead to predict future trends to ensure we are well prepared for the infrastructure, transport, employment, health, education and recreational needs of our community. Actively working towards the necessary roads, rail and community reserves for our region is paramount.

A large council presents big challenges and as Western Australia's fastest growing local authority, easing traffic congestion is key for us. The City grows by an average more than 8,000 residents each year and its population is predicted to reach more than half a million people by 2070. The need for major regional transport infrastructure

remains high on our lobbying efforts with our state and federal counterparts.

We want to make the City of Wanneroo a great place to live, work and play. Families are the cornerstone of our community and creating employment close to home gives families more quality time together. There are significant health benefits gained by providing adequate sporting facilities close to home and for residents in our coastal growth corridor we understand the necessity to keep firm pressure on the state government to promptly reserve much needed land for regional sporting fields.

The City's focus is also firmly on new strategic employment areas including the Neerabup Industrial Area, which is predicted to employ more than 20,000 people and will contribute significantly towards achieving state targets for local employment. We continue to support the designation of Yanchep as a Strategic Metropolitan Centre and the crucial need for heavy rail in the short term (by 2020) to realise Yanchep's employment potential of more than 18,000 jobs.

Achieving the goals the City sets requires dedicated work by our staff and in line with the City's rapid growth, there has been a need to boost staff numbers to manage the expansion. The City continues to offer training opportunities to allow staff to grow professionally and in turn provide the best service possible to the community.

The City's recently introduced 'Statement of Business Ethics' gives sound guidance to staff, contractors, service providers and suppliers on the City's expectations for integrity and the highest possible ethical conduct in all our dealings.


The City's structure is undergoing significant change and I am proud to say that is change for the better. Under our structural realignment we consolidated five directorates into four to streamline our operations, avoid waste and duplication and identify and fix any gaps in processes and services to the community.

The City was recognised as a winner and finalist in a number of external awards during the financial year which is a testament to the excellent work of our staff, all of whom deserve the honour of recognition for their efforts.

The City underwent a ward boundary review during the financial year which resulted in four wards becoming three, merging the North and Coastal wards to create the North Coast Ward to reflect the significant growth and projected elector numbers.

I sincerely thank Mayor Tracey Roberts, our elected members and staff for their dedication to their important roles. Their sound guidance and direction is appreciated and without their tireless work and commitment, the City of Wanneroo would not be the progressive, sought after home, workplace and leisure destination that it is.

The 2014/15 financial year is behind us, but we must keep looking forward to capitalise on the momentum we have generated from our shared enthusiasm for our wonderful City.



**Daniel Simms**  
**Chief Executive Officer**

# INTRODUCTION

Mindarie  
Marina







## WELCOME TO THE ANNUAL REPORT 2014/15

The City of Wanneroo is proud to present this 2014/15 Annual Report. The report describes the City's 2014/15 operations, and the various accomplishments and challenges throughout the year.

The *Local Government Act 1995* requires local governments to produce an Annual Report by 31 December each year. The City of Wanneroo goes beyond statutory requirements by producing a report that is comprehensive and engaging, demonstrating a wide range of activities. The Annual Report is also seen by the City as an essential tool to inform the community and key stakeholders about City activities, its performance and future plans. The Strategic Community Plan (2013 – 2023) and Corporate Business Plan (2014/15 – 2017/18) provide a detailed outline of the City's progress towards achieving its proposed goals and objectives.

We hope this report helps you understand the City of Wanneroo's operations and we would appreciate your feedback to help us make our reporting to the community even better in future. For further information and to provide feedback please contact our Customer Relations Centre at: [enquiries@wanneroo.wa.gov.au](mailto:enquiries@wanneroo.wa.gov.au).

## HOW TO READ OUR ANNUAL REPORT

This report is divided into three main sections:

- an overview of Council and the organisation;
- our performance against the City's Strategic Objectives; and
- 2014/15 audited financial statements.

The performance section is based on the overall outcome of the City's Corporate Business Plan 2014/15 – 2017/18 which is divided into four Pillars supported by thirteen Strategic Objectives, each of which includes a number of strategies. Each Strategic Pillar includes information on achievements, challenges, a look ahead (next financial year actions), service key performance indicators, Strategic Community Plan measures as well as performance against the operational actions identified in the Corporate Business Plan 2014/15 – 2017/18.

### Strategic Community Plan 2013/14 – 2022/23 and Corporate Business Plan 2014/15 – 2017/18.

This Annual Report relates to actions identified in the Corporate Business Plan 2014/15 – 2017/18.

#### Strategic Community Plan



#### Corporate Business Plan



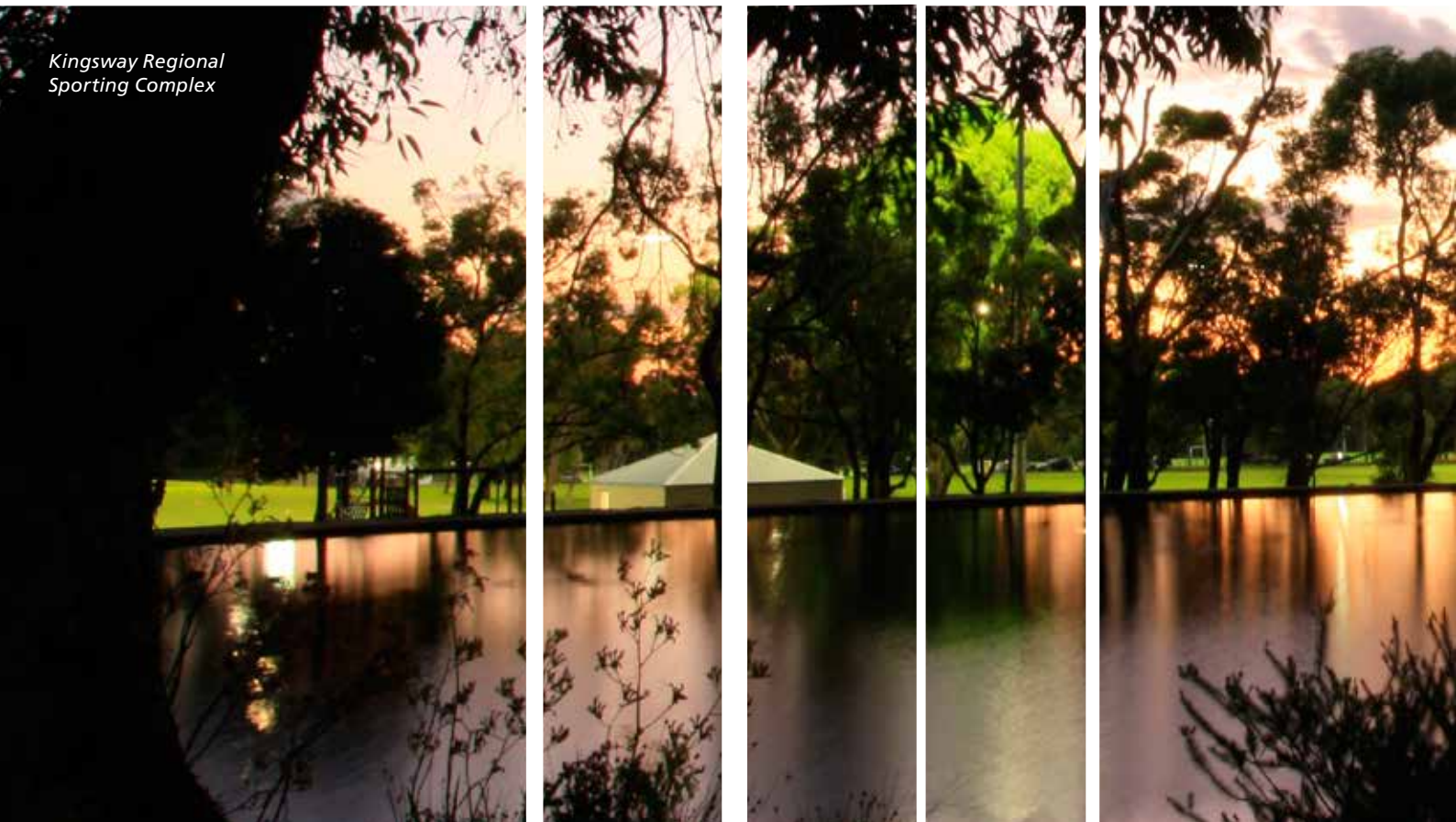
## OUR PURPOSE

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The City's objectives and actions to achieve our vision and further improve services and facilities are described in our Corporate Business Plan 2014/15 – 2017/18, the associated Budget 2014/15 and reported on in this document.

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*Kingsway Regional  
Sporting Complex*



## THE CITY OF WANNEROO'S VISION AND VALUES:

**Vision:** "Building a future together."

**Values:** How we deliver enhanced services to the community:

<b>Teamwork</b>	We build functional relationships and work collaboratively to achieve common goals.
<b>Integrity</b>	We behave in an honest, open, respectful and accountable manner.
<b>Communication</b>	We practise clear and timely exchange of information and feedback.
<b>Innovation</b>	We add creativity and excitement to the workplace and projects we undertake.
<b>Continuous Improvement</b>	We build capacity by improving our systems and processes.
<b>Valuing Our People</b>	We are committed to providing a safe workplace and the development of a healthy, productive, flexible and skilled workforce to adequately resource the organisation.

Council strives to achieve this vision through the following Pillars:



# OUR CITY

## NORTH COAST WARD

TWO ROCKS

YANCHEP

EGLINTON

CARABOODA

ALKIMOS

PINJAR

JINDALEE

BUTLER

NOWERGUP

QUINNS ROCKS

MERRIWA

RIDGEWOOD

NEERABUP

MINDARIE

CLARKSON

CARRAMAR

BANKSIA GROVE

MARIGINIUP

TAMALA PARK

TAPPING

ASHBY

JANDABUP

## CENTRAL WARD

SINAGRA

WANNEROO

HOCKING

PEARSALL

GNANGARA

PART WOODVALE

WANGARA

MADELEY

DARCH

LANDSDALE

## SOUTH WARD

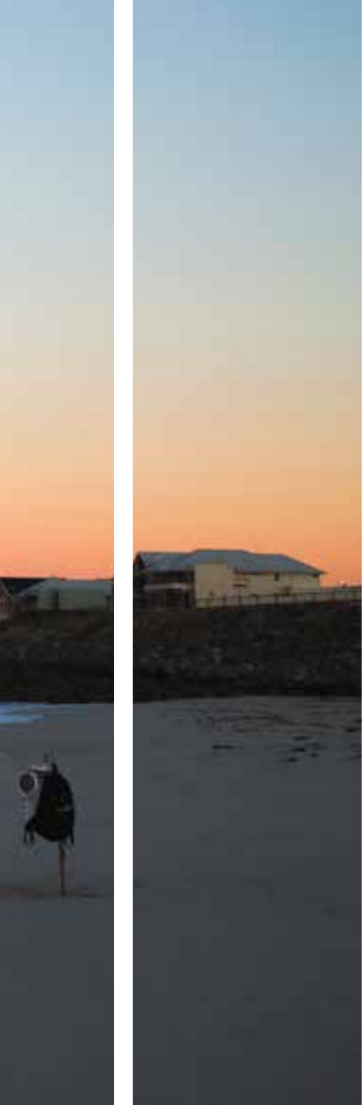
MARANGAROO

ALEXANDER HEIGHTS

GIRRAWHEEN

KOONDOLA

Claytons Beach



## CITY PROFILE

The City of Wanneroo is an expanding and thriving local government on the northern fringe of the Perth Metropolitan area, located approximately 12km from the Perth CBD at its nearest point and 62km at its furthest point.

Our City covers an area of 684km<sup>2</sup>, has 32 kilometres of coastline and is made up of 36 suburbs. It is Western Australia's fastest growing local government authority and has consistently been chosen by many as a preferred place to live and do business.

The City literally has something for everyone; from coastal plains to wetlands, from market gardens to residential homes, from thick bushland to urban development.

For businesses, Wanneroo is a place of opportunity, with the Clarkson and Wanneroo secondary centres providing strong retail and associated employment opportunities, and the Wangara Industrial Area providing a hub for office headquarters, showrooms and manufacturing.

Future growth will see new lifestyle and business opportunities in the rapidly growing coastal corridor and major emerging activity centres at Yanchep, Alkimos and Neerabup.

## HISTORY

First recognised as a Roads District in 1902, the Wanneroo District held its first elections and Road Board Meeting in January 1903. In 1961, the Wanneroo Roads Board became the Shire of Wanneroo and in 1985, the City of Wanneroo.

The City was divided then into the Shire of Wanneroo and the City of Joondalup in 1998, and in 1999, the Shire of Wanneroo again attained the status of the City of Wanneroo.

## KEY FEATURES

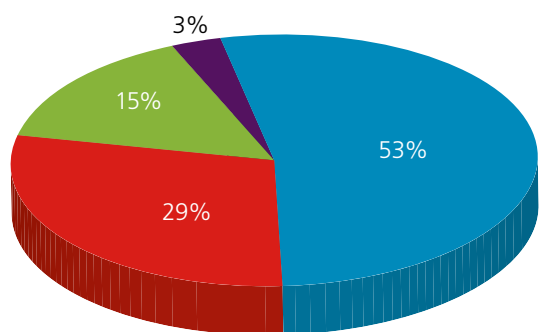
The City is characterised by a diverse mix of urban, rural and industrial land uses, as well as a significant area of natural bushland and State Forest, including Yanchep National Park, Neerabup National Park and Yellagonga Regional Park.

A natural wetland system runs through the City, dominated by the pristine Lake Joondalup that separates the City of Wanneroo from the City of Joondalup.

Urban land is predominantly residential, with a number of commercial centres providing jobs and services. Key features of Wanneroo's urban areas include:

- Parks and Community Facilities
  - 342 parks and open space areas totalling 672ha
  - Kingsway Regional Sporting Complex
  - 4 x libraries (Girrawheen, Wanneroo, Clarkson, Two Rocks)
  - 2 x recreation centres
    - Wanneroo Aquamotion
    - Kingsway Indoor Recreation Centre
  - Wanneroo Library and Cultural Centre (incorporating the Local History Museum)
- 1,495km of roads and 1,050km of pathways managed by the City.

City of Wanneroo land area



- regional reserves (365.3km<sup>2</sup>)
- urban (198.9km<sup>2</sup>)
- rural (101.6km<sup>2</sup>)
- industrial (17.3km<sup>2</sup>)



## DEMOGRAPHIC POPULATION

The City is home to 188,000 people (2015) and over 11,000 businesses (2014) providing 49,000 local jobs.

The median age of residents is 32 years with:

- 32% aged under 20 years
- 23% aged 65+ years
- 1.9 children per family
- 2.9 people per dwelling

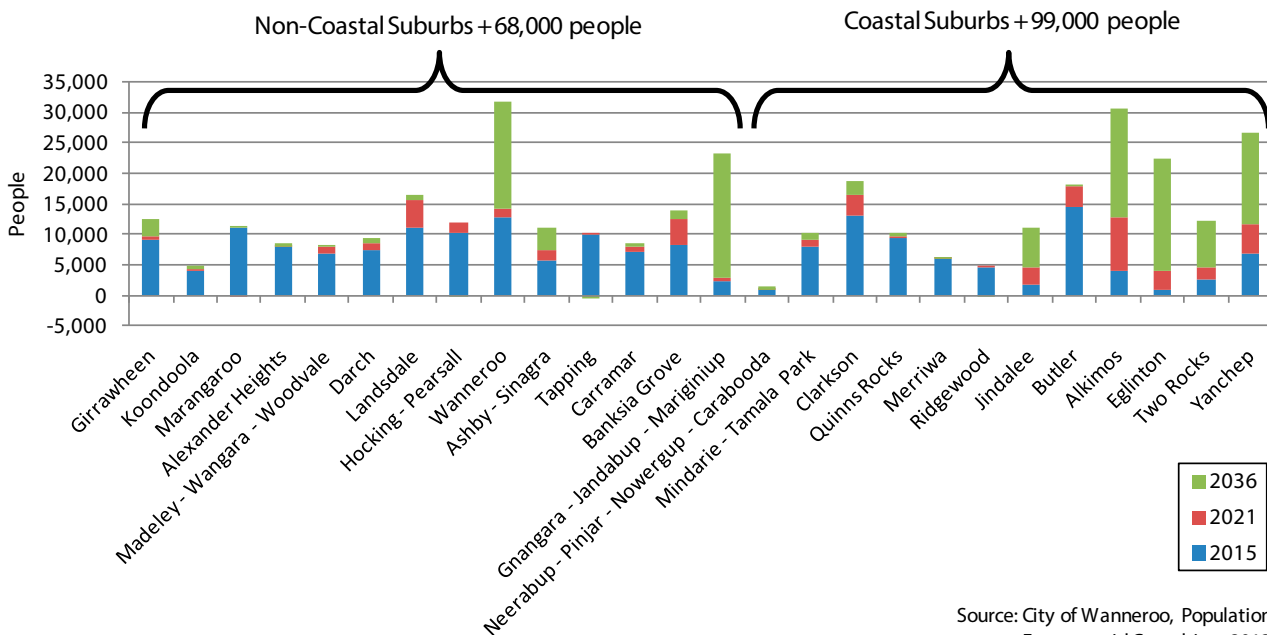
Our diversity is characterised by a high proportion of population born overseas; the information below provides a snapshot.

- 40% born overseas, including
  - 17% born in United Kingdom;
  - 4% born in New Zealand;
  - 3% born in South Africa;
  - 2% born in Vietnam;
  - 1% born in India;
  - 14% born in other countries.

## GROWTH AND DEVELOPMENT

Between 2001 and 2015, the population of the City grew from approximately 80,400 to 188,000, an average of almost 8,000 people per year. By 2036 our population is expected to grow to over 354,000 people and this growth will continue till approximate 2070, reaching 550,000 plus people.

Cumulative Population Growth by Suburb 2015 - 2036



Source: City of Wanneroo, Population Forecasts, id Consulting, 2013

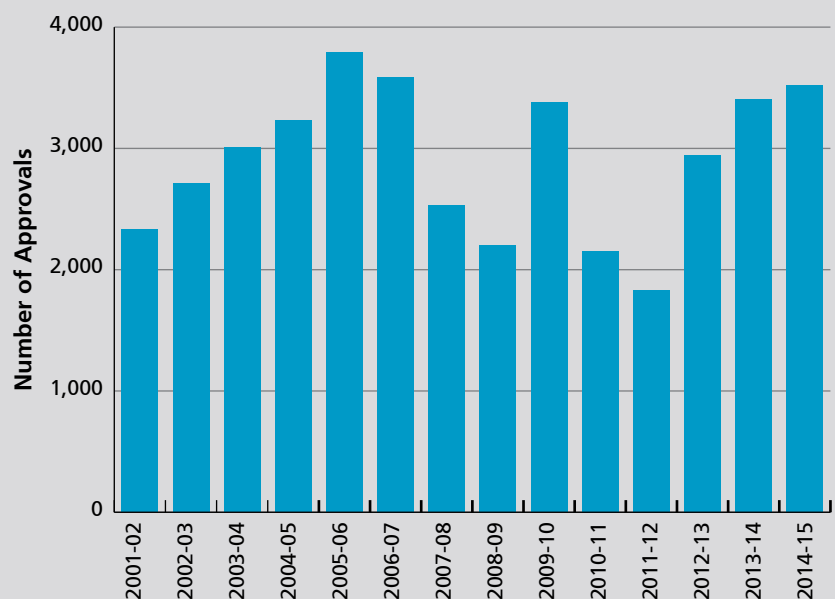


The majority of this growth is expected to occur in:

- Northern Coastal Growth Corridor (Alkimos, Eglinton, Yanchep and Two Rocks)
- East Wanneroo (Gnangara, Jandabup and Mariginiup)

On an annual basis the City of Wanneroo processes a substantial number of building approvals, as shown in the graph below.

## Residential Building Approvals in the City of Wanneroo



Overall the Gross Regional Product generated within the City of Wanneroo is estimated at \$6.45 billion (2014), which represents 2.5% of Gross State Product. In addition, there are 49,000 local jobs, 11,000 registered businesses and 94,500 employed local residents within the City.

Employment generation and economic activity in the City is concentrated in the following areas:

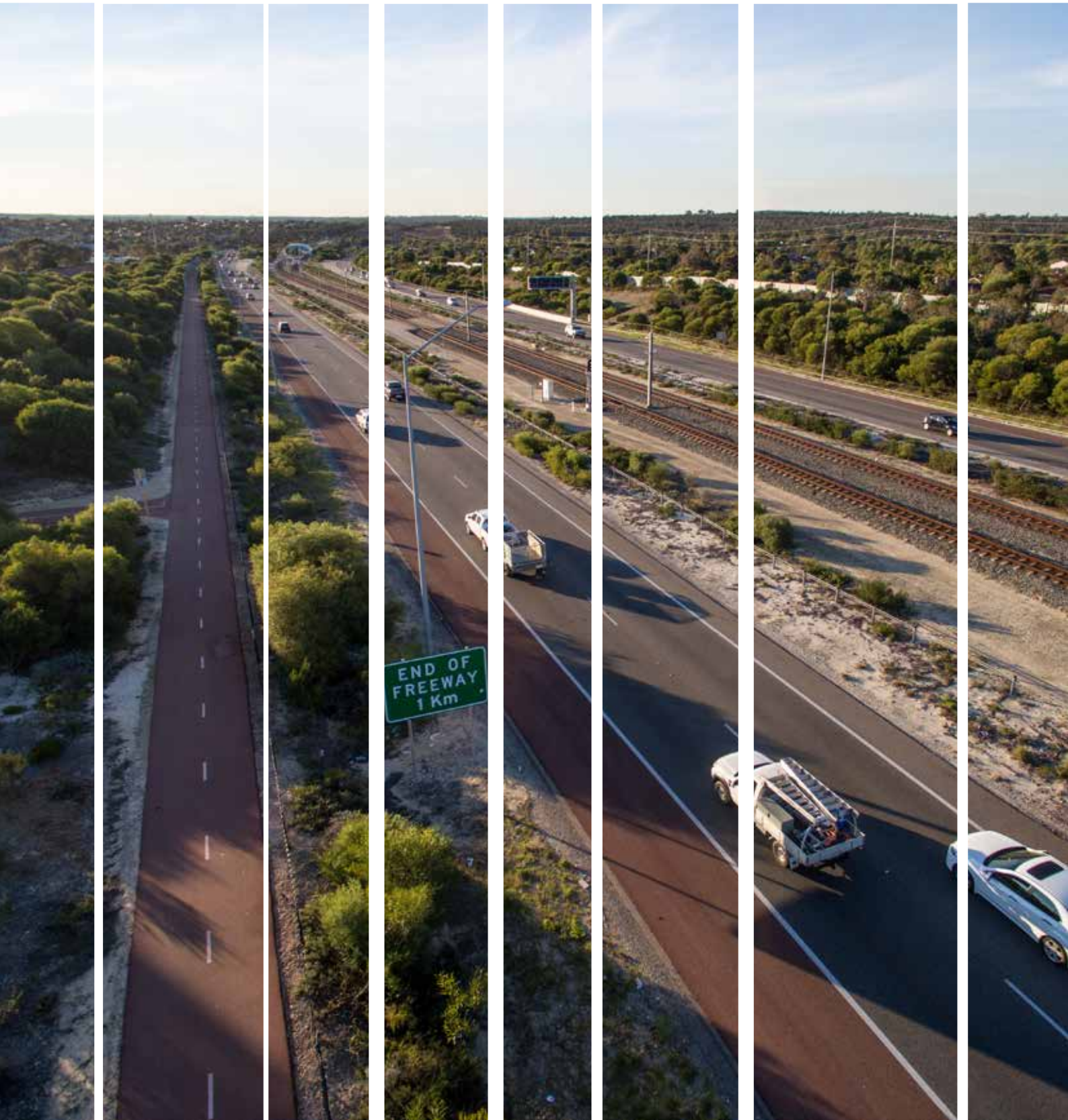
- Six major activity centres
  - Two secondary centres: Clarkson and Wanneroo
  - Four district centres: Alexander Heights, Butler, Girrawheen and Kingsway
  - Over 30 smaller local and neighbourhood centres
- Two major industrial areas
  - Wangara (including Landsdale) and Neerabup
- Specialised industry
  - Agribusiness (primary production)

- Tourism (predominantly coastal)
- Commercial fishing (Two Rocks and Mindarie)

- Home-based and mobile

The top three industries in the City of Wanneroo are construction, manufacturing and retail. Our commercial and industrial areas are well located on major transport routes, including Wanneroo Road, Marmion Avenue, Gnangara Road and Ocean Reef Road. In addition, the major industrial areas have strong regional connections, particularly to Joondalup Regional Centre and easy access to the Perth CBD and Great Northern Highway (to access the north of the State).

# THE YEAR IN REVIEW



*Mitchell Freeway approaching Burns Beach Road*



## FINANCIAL HEALTH OVERVIEW

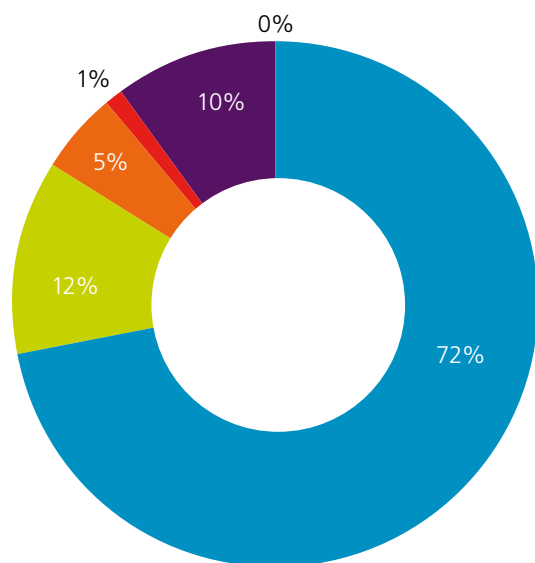
2014/15 RESULTS OVERVIEW	2014/15 ACTUAL (\$ MILLION)	VARIANCE TO 2013/14 %
Total Operating Revenue	166.6	6%
Total Operating Expenses	159.3	6%
Result from Operations	7.2	0%
Total Assets	2,364.7	28%
Total Liabilities	97.4	5%
Net Assets	2,267.3	29%
Total Cash & Investments	316.9	17%

## OPERATING REVENUE

The City's revenue is derived from various sources including rates, fees and charges, interest earnings, other revenue, grants and contributions, a breakdown is shown below:

OPERATING REVENUE BY CATEGORY	2012/13 ACTUAL (\$ MILLION)	2013/14 ACTUAL (\$ MILLION)	2014/15 ACTUAL (\$ MILLION)
Rates	100.4	111.4	<b>120.5</b>
Fees & Charges	23.7	23.3	<b>20.1</b>
Interest Earnings	9.6	8.8	<b>8.5</b>
Other Revenue	3.6	4.0	<b>1.6</b>
Operating Grants, Subsidies & Contributions	12.3	9.4	<b>15.9</b>
<b>TOTAL</b>	<b>149.6</b>	<b>156.9</b>	<b>166.6</b>

### Actual Operating Revenue by Category



- Rates, Levies & Charges
- Fees and Charges
- Interest & Investment Revenue
- Other Income
- Operating Grants, Subsidies & Contributions
- Service Charges

Despite decreases in categories of Fees & Charges, Interest Earnings and Other Revenue, Total Operating Revenue for the 2014/15 financial year reflects a 6.2% increase over 2013/14 and was in line with the budget. The largest contributor by value is Rates which accounts for 72% and grew by close to 8.2%, and exceeded the budget due to a higher than anticipated level of growth.

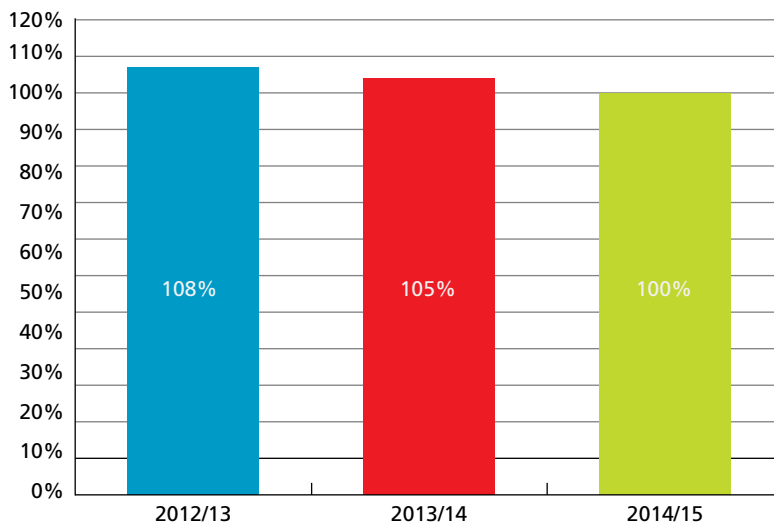


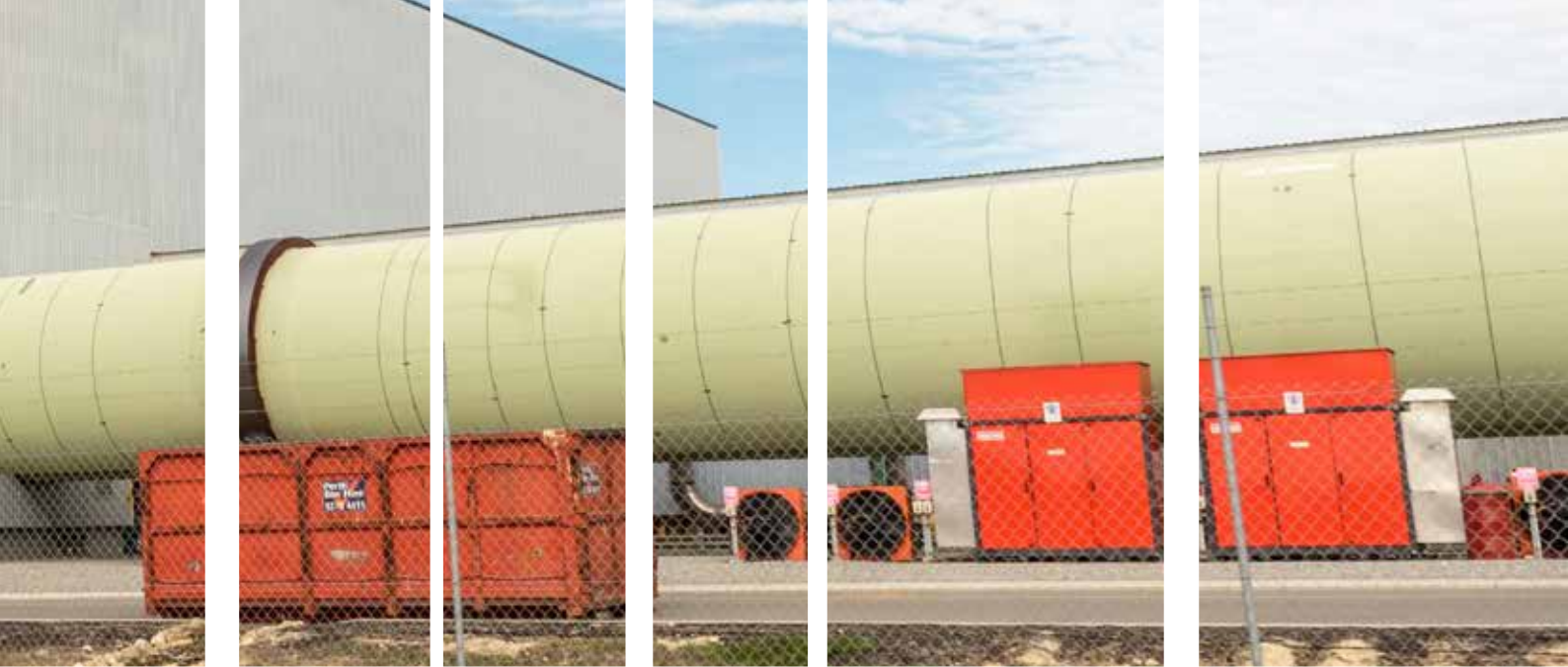
ACTUAL VS BUDGET	2012/13 ACTUAL (\$ MILLION)	2013/14 ACTUAL (\$ MILLION)	2014/15 ACTUAL (\$ MILLION)
Total Actual Revenue	149.6	156.9	<b>166.6</b>
Total Budget Revenue	138.3	149.8	<b>167.1</b>

### Operating Revenue vs Budget

The graph on the right illustrates the actual revenue against the revenue budget.

Final results for operating revenue align to that originally adopted. A significant contribution is Rates income, which generated \$120.5 million, being slightly above original budget estimate as a result of the amount received from Interim Rates exceeding forecast.





## OPERATING EXPENSES

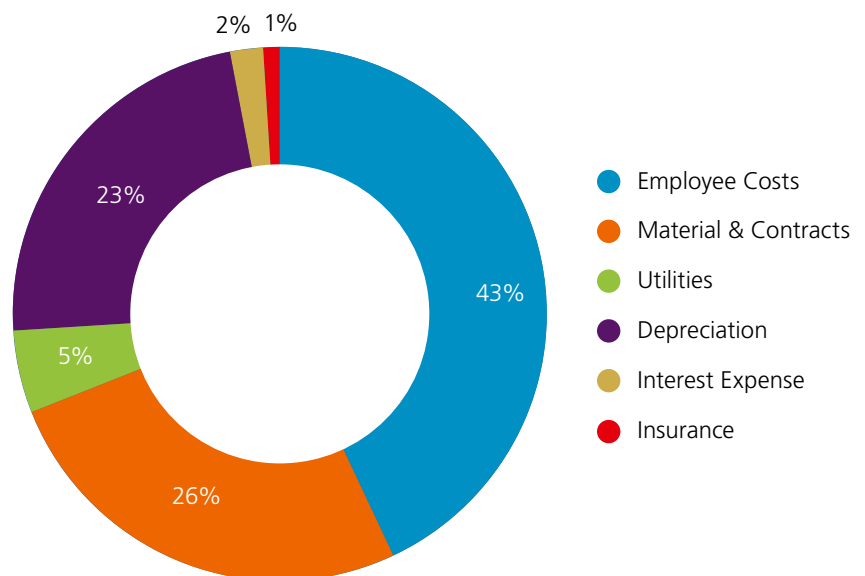
Operating expenses consist of employee costs, borrowing costs, materials and contracts, utilities, depreciation, interest expense and insurance, a breakdown of which is shown below:

OPERATING EXPENSES BY CATEGORY	2012/13 (\$ MILLION)	2013/14 (\$ MILLION)	2014/15 (\$ MILLION)
Employee Costs	60.4	64.2	<b>68.0</b>
Material & Contracts	41.8	42.8	<b>41.4</b>
Utilities	7.4	7.4	<b>7.5</b>
Depreciation	29.0	30.1	<b>37.3</b>
Interest Expense	3.7	3.7	<b>3.7</b>
Insurance	1.4	1.4	<b>1.4</b>
<b>TOTAL</b>	<b>143.7</b>	<b>149.6</b>	<b>159.3</b>

### Actual Operating Expenses by Category

The graph on the right indicates the operating expenses by Category.

Operating expenses for 2014/15 increased by 6.5% over that recorded for 2013/14, with depreciation having the largest influence. It is noted that the reason for the significant increase in depreciation (23.9%) is due to the fair value revaluations of the City's assets. Employee costs also increased (5.9%) due to the City's need for additional staffing resources.





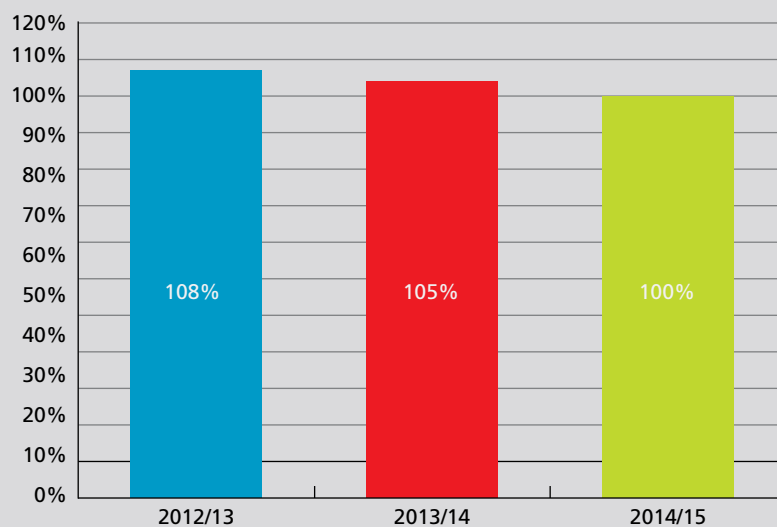
Total operating expenses were \$159.3 million in 2014/15, which was an increase of \$9.7 million over the previous year.

ACTUAL VS BUDGET	2012/13 (\$ MILLION)	2013/14 (\$ MILLION)	2014/15 (\$ MILLION)
Total Actual Expenses	143.7	149.7	<b>159.3</b>
Total Budget Expenses	140.6	151.4	<b>167.1</b>

## Operating Expenses vs Budget

The graph on the right illustrates how effective the City's budget development and management practices are by comparing how close actuals align to budget.

When comparing actual spend against the budget an improvement of 5% is observed. Furthermore each expense category of the operating expenses (excluding depreciation) achieved an end of year result against the budget of less than 10%.



## RESULT FROM OPERATIONS

When considering financial sustainability one of the key measures referred to is the Result from Operations, which is calculated by subtracting Operating Expenses from Operating Revenues. The City recognises the importance of budgeting towards and achieving long term financial sustainability in this regard and as such, provided in the table below is reference to past years' results.

DESCRIPTION	2012/13 ACTUAL (\$ MILLION)	2013/14 ACTUAL (\$ MILLION)	2014/15 ACTUAL (\$ MILLION)
Results from Operations (Revenue – Expenses)	5.9	7.2	7.2

The figures presented above reflect strong positive outcomes for 2014/15 as well as the previous two financial years.



Regional Sporting Complex Baseball Cages

## CAPITAL EXPENDITURE

CAPITAL EXPENDITURE	2012/13 (\$ MILLION)	2013/14 (\$ MILLION)	2014/15 (\$ MILLION)
<b>TOTAL</b>	22.5	36.9	47.7

Effectively implementing capital projects is essential to achieve the City's vision of building a future together.

**\$47,718,630** of capital projects was delivered in 2014/15. A summary of projects is shown by sub programme in the table below.

There are 24 Capital Works sub programmes reflected in the Corporate Business Plan incorporating 318 capital projects under these 24 sub programmes.

SUB PROGRAMME	2014/15 REVISED BUDGET	ACTUAL EXPENDITURE AS AT 30 JUNE 2015	% SPENT
<b>1. ENVIRONMENT: A healthy and sustainable natural and built environment</b>			
<b>1.1 Environmentally Friendly</b>			
Conservation Reserves	285,726	268,220	94%
Environmental Offset	634,845	36,848	6%
Foreshore Management	3,272,895	2,175,952	66%
<b>1.2 Conserve Water</b>			
Parks Rehabilitation	1,750,000	817,588	47%
Stormwater Drainage	1,450,500	1,315,225	91%
<b>1.3 Reduce, Reuse, Recycle Waste</b>			
Waste Management	8,814,693	7,023,370	80%
<b>2. SOCIETY: Healthy, safe, vibrant and active communities</b>			
<b>2.1 Great Places and Quality Lifestyle</b>			
Passive Park Development	1,109,449	792,649	71%
Street Landscaping	929,835	740,236	80%
Community Buildings	5,323,722	3,484,370	65%
<b>2.2 Healthy and Active People</b>			
Sports Facilities	8,667,757	5,047,519	58%
Golf Courses	996,792	347,044	35%
Parks Furniture	990,933	942,076	95%
<b>2.3 Safe Communities</b>			
Community Safety	511,803	404,966	79%
Street Lighting	303,239	185,112	61%



SUB PROGRAMME	2014/15 REVISED BUDGET	ACTUAL EXPENDITURE AS AT 30 JUNE 2015	% SPENT
<b>3. ECONOMY: Progressive, connected communities that enable economic growth and employment</b>			
<b>3.2 Growing Business</b>			
Investment Projects	3,517,898	599,138	17%
Land Acquisition		2,780	
<b>3.3 Easy to Get Around</b>			
Traffic Treatments	2,602,053	2,023,287	78%
Bus Shelters	57,500	52,246	91%
Pathways and Trails	1,011,728	742,876	73%
Roads	20,963,375	14,947,032	71%
<b>4. CIVIC LEADERSHIP: Working with others to ensure the best use of our resources</b>			
<b>4.3 A Strong and Progressive Organisation</b>			
Other Corporate Items	297,823	50,597	17%
IT Equipment and Software	1,702,307	1,206,776	71%
Fleet Management	6,474,758	2,801,846	43%
Corporate Buildings	3,023,622	1,710,876	57%
<b>Grand Total</b>	<b>74,693,253</b>	<b>47,718,630</b>	<b>64%</b>

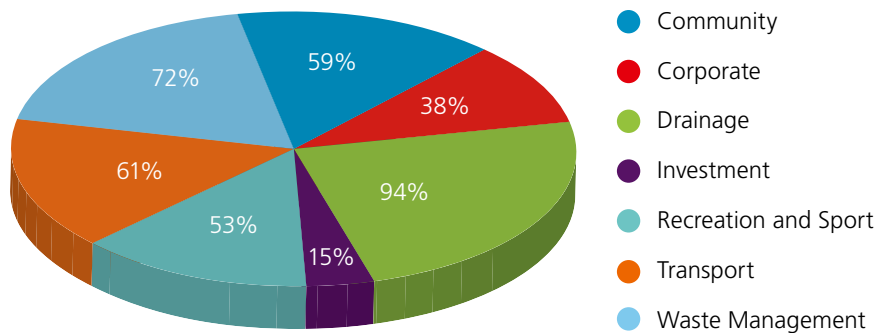
The table and graph below illustrates the capital budget aligned to the local government financial programmes.

PROGRAMME	2014/15 REVISED BUDGET	ACTUAL EXPENDITURE AS AT 30 JUNE 2015
Community	6,871,043	4,293,702
Corporate	11,498,510	5,770,095
Drainage	1,450,500	1,315,225
Investment	3,517,898	599,138
Recreation and Sport	17,684,607	10,766,407
Transport	24,856,002	17,950,694
Waste Management	8,814,693	7,023,370
<b>Total</b>	<b>74,693,253</b>	<b>47,718,630</b>



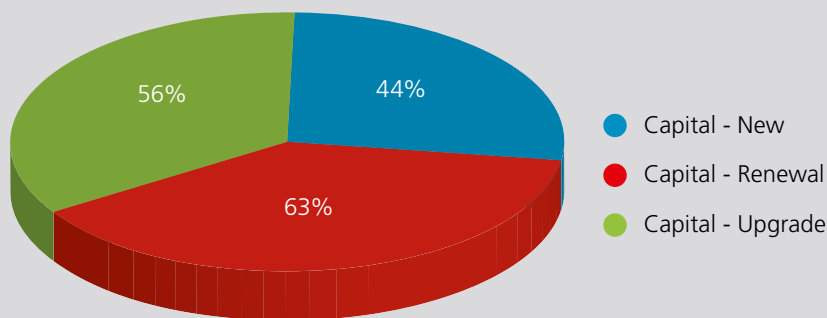
### Capital Expenditure Per Programme

Total spend for new assets was budgeted at \$28 million of which \$12 million was spent. Renewal assets had a budget of \$28 million and \$18 million was spent and a budget of \$31 million was allocated to upgrades whilst \$18 million was spent. Of the unspent amounts \$21 million was carried forward.



### Actual Expenditure Per Type

The graph on the right illustrates how the City spent its Capital budget across the three areas listed.





## ACTUAL PERFORMANCE AGAINST ORIGINAL BUDGET

The City's budget is regularly reviewed and revised where necessary. Furthermore a mid-year review is undertaken and presented to Council. The analysis below is based on the mid-year adjustment budget 2014/15.

TOTAL OPERATING REVENUE	2014/15 ACTUAL (\$ MILLION)	2014/15 REVISED BUDGET (\$ MILLION)	VARIANCE (\$ MILLION)	VARIANCE %
Rates, Levies & Charges	120.5	120.6	-0.1	0
Fees & Charges	20.1	19.9	0.2	1
Interest & Investment Revenue	8.5	8.6	-0.1	-1
Other Income	1.6	1.5	0.1	7
Operating Grants, Subsidies & Contributions	15.9	12.4	3.5	28
<b>TOTAL</b>	<b>166.6</b>	<b>163.0</b>	<b>3.6</b>	<b>2</b>

TOTAL OPERATING EXPENSES	2014/15 ACTUAL (\$ MILLION)	2014/15 REVISED BUDGET (\$ MILLION)	VARIANCE (\$ MILLION)	VARIANCE %
Employee Costs	68.0	69.5	1.5	2
Material & Contracts	41.5	47.6	6.1	13
Utilities	7.5	7.9	0.4	5
Depreciation	37.3	36.0	-1.3	-4
Interest Expense	3.7	3.7	0.0	0
Insurance	1.4	1.5	0.1	7
<b>TOTAL</b>	<b>159.4</b>	<b>166.2</b>	<b>6.8</b>	<b>4</b>

CAPITAL EXPENDITURE	2014/15 ACTUAL (\$ MILLION)	2014/15 REVISED BUDGET (\$ MILLION)	VARIANCE (\$ MILLION)	VARIANCE %
<b>TOTAL</b>	<b>47.7</b>	<b>74.7</b>	<b>27.0</b>	<b>36</b>



## FINANCIAL POSITION

### Assets

ASSETS	2012/13 (\$ MILLION)	2013/14 (\$ MILLION)	2014/15 (\$ MILLION)
Cash & Cash Equivalents	213.3	257.6	302.5
Trade and Other Receivables	24.5	23.3	22.9
Inventories	4.9	8.0	13.5
Investments	20.3	13.2	14.4
Property, Plant and Equipment	126.4	126.4	534.9
Infrastructure	795.8	1,424.1	1,476.5
<b>TOTAL</b>	<b>1,185.2</b>	<b>1,852.6</b>	<b>2,364.7</b>

Total assets for 2014/15 increased by 27.6% compared to 2013/14. With Property, Plant and Equipment having the largest increase of 323.2% due to the fair value revaluations.

### Liabilities

ASSETS	2012/13 (\$ MILLION)	2013/14 (\$ MILLION)	2014/15 (\$ MILLION)
Trade and Other Payables	19.4	18.8	21.9
Current Provisions	11.0	11.9	13.4
Non-Current Provisions	1.5	1.4	1.3
Long Term Borrowings	60.8	60.8	60.8
<b>TOTAL</b>	<b>92.7</b>	<b>92.9</b>	<b>97.4</b>

Total liabilities for 2014/15 increased by 4.8% compared to 2013/14, with both Trade and Other Payables and Current Provisions being the largest contributors.

### Net Community Assets & Equity

NET COMMUNITY ASSETS	2012/13 (\$ MILLION)	2013/14 (\$ MILLION)	2014/15 (\$ MILLION)
<b>TOTAL</b>	<b>1,092.5</b>	<b>1,021.8</b>	<b>1,092.5</b>
COMMUNITY EQUITY	2012/13 (\$ Million)	2013/14 (\$ Million)	2014/15 (\$ Million)
Retained Surplus	913.8	976.5	1,029.5
Reserves – Cash/Investment Backed	100.1	120.8	153.5
Reserves – Asset Revaluation	1.2	566.8	970.9
Town Planning Schemes	77.4	95.6	113.4
<b>TOTAL</b>	<b>1,092.5</b>	<b>1,759.7</b>	<b>2,267.3</b>

### Cash Flows

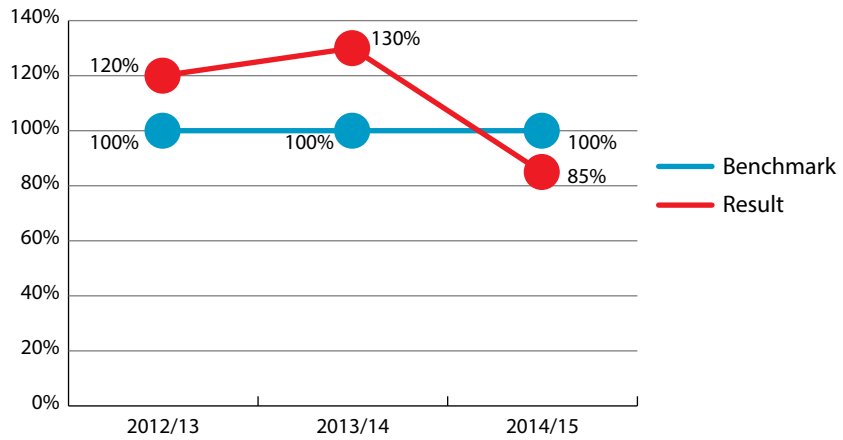
CASH FLOWS	2012/13 (\$ MILLION)	2013/14 (\$ MILLION)	2014/15 (\$ MILLION)
Cash Flows from Operating Activities	29.5	38.7	49.5
Cash Flows from Investing Activities	32.8	5.6	(4.5)
<b>Net Increase/(Decrease) in Cash Held for the Year</b>	<b>62.3</b>	<b>44.3</b>	<b>45.0</b>

# FINANCIAL RATIOS

## Current Ratio

This is a modified commercial ratio designed to focus on the liquidity position of the City that has arisen from past years' transactions.

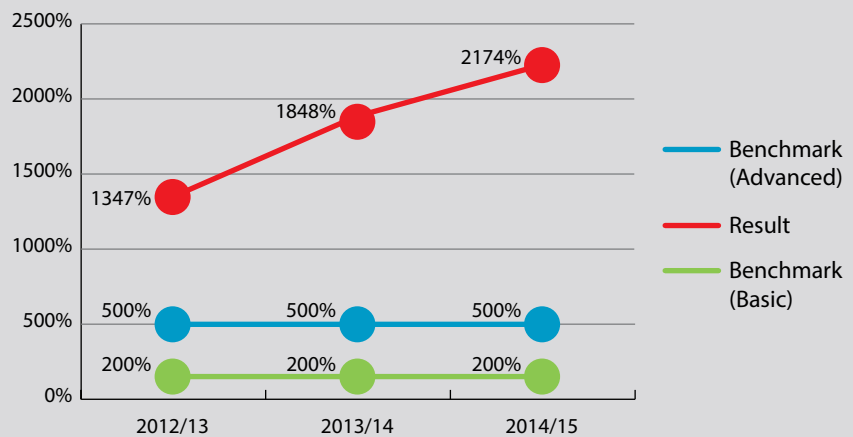
The standard has not been met as the Ratio is less than 1:1, primarily as a result of the restriction of municipal funds relating to carried forward capital works.



## Debt Service Cover Ratio

This ratio is the measurement of the City's ability to repay its debt including lease payments.

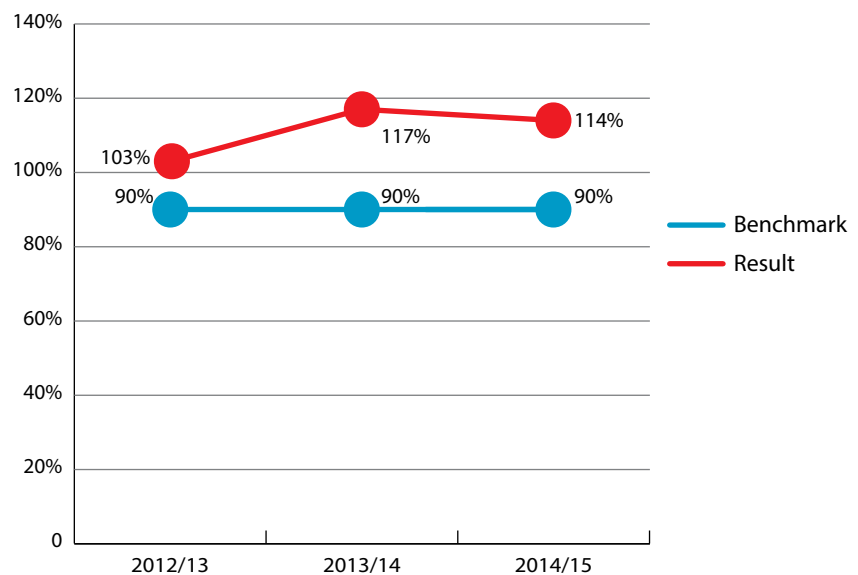
An Advanced Standard has been met as the Ratio is greater than 5, however the ratio does not take into account 'interest only' loans, in circumstances where the Principal is to be repaid in a future year. The City does have a plan for the accumulation of funds for the repayment of the \$60.78 million loan in 2026.



## Own Source Revenue Coverage Ratio

This ratio is the measurement of the City's ability to cover its costs through its own revenue efforts.

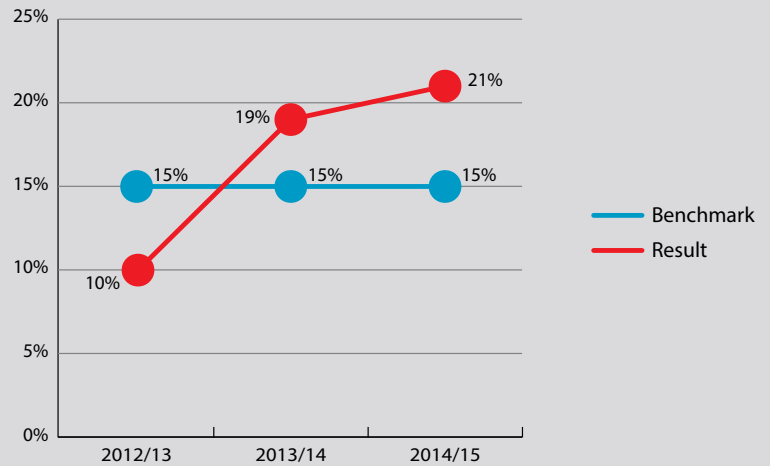
An Advanced Standard has been achieved as the Ratio is greater than 90% (0.90).



## Operating Surplus Ratio

This ratio is a measure of the City's ability to cover its operational costs and have revenues available for capital funding or other purposes.

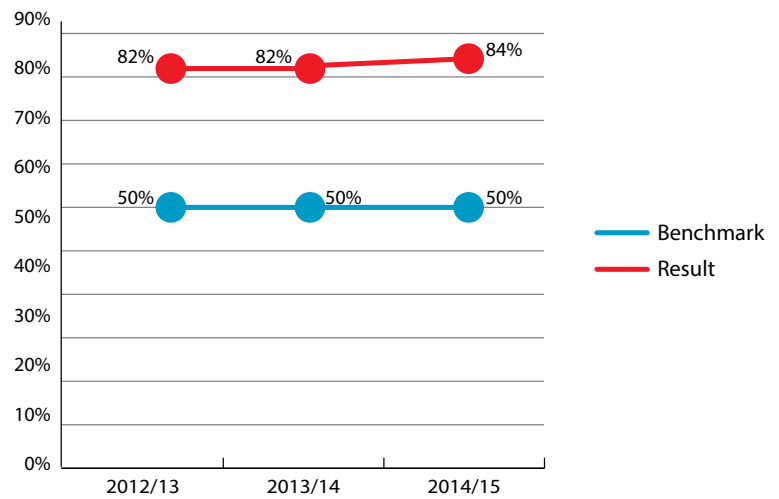
An Advanced Standard has been met as the Ratio is greater than 15% (0.15).



## Asset Consumption Ratio

This ratio measures the extent to which depreciable assets have been consumed by comparing their written down value to their replacement cost.

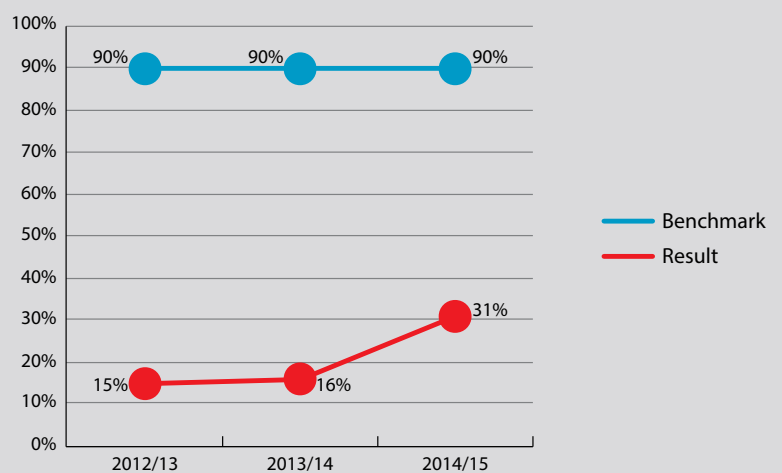
The Standard has been met as it exceeds the 50% target and exceeds the Department's 'improving' Standard which is between 60% and 75%.



## Asset Sustainability Ratio

This ratio indicates whether the City is replacing or renewing existing non-financial assets at the same rate that its overall asset stock is wearing out.

Technically, the Standard has not been met as the Ratio is less than 90% (0.90).



A large percentage of the City's assets are in new to very good condition with approximately 85% of the total asset base at or below condition 2 (a rating of 0 represents a new asset and 10 being assets that are failing). Less than 1% of the asset base is at or above condition 8, which represents assets that require immediate attention.

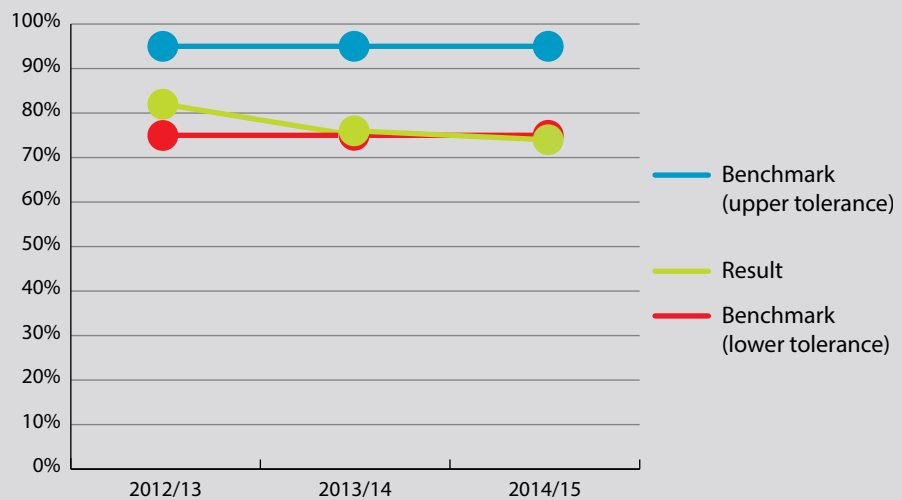
With the City's current mix of old and new assets and continued high growth, a lower than average Asset Sustainability Ratio is essentially unavoidable, and the current condition of assets and level of renewal expenditure confirms this position. However as the stock ages and renewal expenditure incrementally increases the ratio should increase, but continued growth may keep it relatively low on an industry standard.

Taking a long term outlook, the level of asset stock and renewal demand necessitates the development of strategies to address the future impact and ensure that the City can continue to grow and maintain its assets in a financially sustainable manner.

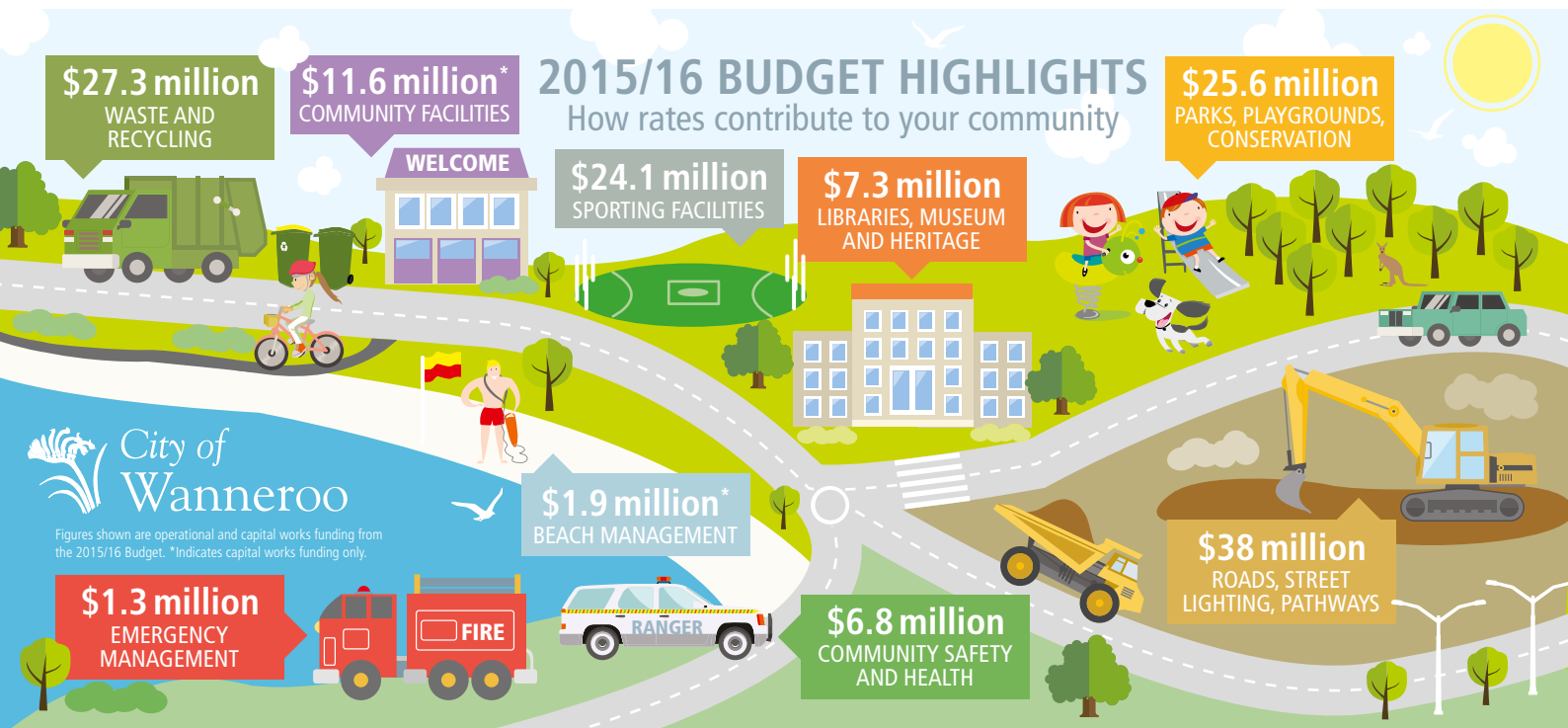
## Asset Renewal Funding Ratio

This ratio is a measure of the ability of the City to fund its projected asset renewal/replacements in the future.

The Standard has not been met as the Ratio is marginally below the 75% target.



## LOOKING AHEAD: PLANNING FOR 2015/16



## SERVICE DELIVERY OVERVIEW

The City of Wanneroo provides a wide range of local government services to the many residents and businesses that live and work within the City's boundaries. These services are important in meeting local community needs and support the priorities of the Strategic Community Plan.

In addition to these services, the City also delivers specific operating and capital works actions. Some of these actions are key drivers to support service delivery planning, and

others are one-off actions to meet the aspirations and objectives of the Strategic Community Plan.

Each of the City's service areas is responsible for a number of services. The table on the following page provides more information on what these services are and are aligned to the City's four Pillars (Environment, Society, Economy and Civic Leadership):

SERVICE AREAS	RESPONSIBILITIES
<b>Pillar: Environment</b>	
<b>City Growth</b>	Tourism, transport planning, strategic planning projects, cartography services and regional and local economic development.
<b>Land Development</b>	Land development subdivision engineering approvals, landscaping and irrigation design approvals, local water management strategy and urban water management plan.
<b>Parks and Reserves</b>	Parks and reserves maintenance, golf course maintenance tree planting and maintenance.
<b>Infrastructure Maintenance and Coastal</b>	Coastal and foreshore maintenance, building maintenance, roads and car parks maintenance, graffiti removal services, conservation education and conservation maintenance.
<b>Waste Services</b>	Domestic and recycling services, bulk collections and City waste services.
<b>Pillar: Society</b>	
<b>Capacity Building</b>	Management of the Wanneroo Museum, public art and art collections, exhibitions, the City's heritage sites, library services, volunteer development, community funding, education and lifelong learning programmes, and also service delivery to the City's diverse and marginalised communities.
<b>Community Programmes and Services</b>	Kingsway Indoor Stadium, Aquamotion, youth services, financial counselling services, home and community care services, club development programmes, community facilities and recreation planning and management.
<b>Communications and Events</b>	Customer services and complaints, community engagement, events management, hospitality services and corporate communications.
<b>Community Health Service</b>	Identification, assessment and elimination or treatment of Environmental Health risks within our community.
<b>Regulatory Services</b>	Building inspections, building approvals, pool inspections, enforcements under the Building Act, enforcement of Council laws and by-laws and public health services.
<b>Planning Implementation</b>	Planning and development advice, development applications, strategic area planning, planning compliance and enforcement, contribution schemes management, sub-divisions and clearance.
<b>Property Services</b>	Property leasing, land development, Crown Land administration and disposal, disposal of freehold land, management of golf courses, development and management of caravan parks, tip site investigation and remediation and land acquisition for roads.
<b>Community Safety, Emergency Management and Rangers</b>	Community safety and crime prevention, including CCTV, bushfire protection, enforcement of Council local laws and statutory government Acts, animal care centre and emergency management.

SERVICE AREAS	RESPONSIBILITIES
<b>Pillar: Economy</b>	
<b>Asset Management</b>	Transport and traffic asset management, fleet asset and project management, workshop operations, stores, and infrastructure project management.
<b>Infrastructure Projects</b>	Provision of engineering technical support, design and construction of civil infrastructure, public buildings and parts and the upgrade of conservation and foreshore reserves.
<b>Pillar: Civic Leadership</b>	
<b>Risk and Business Improvement</b>	Enterprise risk management, insurance claims management, internal audit, integrated planning and performance reporting, business improvement and the City's compliance with and adherence to the requirements for occupational health and safety.
<b>Human Resources</b>	Recruitment, organisational capability and development, organisational culture, strategic workforce planning and employee wellbeing.
<b>Governance and Legal</b>	Mayoral administration and support, Elected Member support, purchasing compliance, contract administration, tender administration, elections, reprographics, statutory compliance and advice, corporate governance and legal services.
<b>Information and Communication Technology Services</b>	ICT user support, ICT infrastructure support and development, ICT asset management, business systems support and development, street and parks naming, records and archival management, mail processing and Freedom of Information and public interest disclosure.
<b>Finance</b>	Management accounting and budgeting, debtors, creditors, financial accounting, grant acquittals, rates and charges, payroll, compliance returns and financial investments.
<b>Office of the CEO</b>	Executive leadership and management to the Administration, liaison and advisory support to the Mayor and Elected Members, and liaison and stakeholder management of other government agencies and key stakeholders.

## EXTERNAL AWARDS RECEIVED BY THE CITY DURING 2014/15

Our City received the following awards during 2014/15, recognising the excellent contributions our staff make to the community.

Information about our internal Awards and Recognition Awards can be found on page 60.

### *Customer Relations Centre Innovation Award*



### **2014 State Australian Water Association Awards**

- Finalist in the Conservation category for its North West Corridor Water Supply Strategy (in conjunction with the Department of Water).
- Finalist for the Premier's Award.

### **2014 Perth Airport WA Tourism Awards**

- Finalist in the 2014 Perth Airport WA Tourism Awards and in the Local Government Award for Tourism.

### **WA Premier's Awards**

- Finalist in the WA Premier's Awards in the Strengthening Families and Communities category.
- Shift ATTITUDES anti-bullying programme was short listed for the 2014 Premier's Award.

### **2014 Children's Health Environment Report Card Project**

- Metropolitan winner.

### **2014 Western Australian Tourism Awards**

- The City was a top five finalist in the Local Government Category. This success is due to the development and continual implementation of the City's Tourism Strategy and Action Plan.

### **National Government Contact Centre Excellence**

- The City's Customer Relations Centre won Best Project at the National Government Contact Centre Excellence Awards.

### **Auscontact Association National Awards**

- Finalist for the Auscontact Association National Awards.



# GOVERNANCE

As one of Australia's three tiers of government (federal, state and local), local government most closely affects the daily lives of people in the community. This tier of government is often referred to as councils, shires and local councils.

The City of Wanneroo is one of 140 local governments in Western Australia operating in accordance with the *Local Government Act 1995*. The Act sets out a system of local government by providing for the constitution of elected local governments in the State, describing the functions of local governments, providing for the conduct of elections and polls, and providing a framework for the administration and financial management of local government including the scrutiny of their affairs.

#### Further Reading:

**The *Local Government Act 1995* can be downloaded from the State Law Publisher at [www.slp.wa.gov.au](http://www.slp.wa.gov.au)**



Clarkson

# Democratic Governance

Governance is a process of governing (whether formal or informal) by which Council makes decisions; distributes and exercises authority and power; determines strategic goals; organises corporate and individual behaviours; develops institutional rules; and assigns responsibility for those matters.

It involves a focus on the clarity of roles and responsibilities, which support both internal and external accountability and public access to decision-making and information.

## OUR COUNCILLORS AND COUNCIL WARDS

Council is responsible for the stewardship and corporate governance of the organisation. Local government elections occur every two years and on 19 October 2013 the City of Wanneroo community elected half of the representatives of this Council for a four-year term. Local government elections will run on 17 October 2015.

A ward boundary review was conducted during the 2014/15 financial year where a decision was made to change the four wards to three instead. The North and Coastal Wards merge to create the North Coast Ward. The City's significant growth and projected elector numbers were contributing factors in the decision to adopt the changes to the ward structure and representative Elected Member numbers.

The 15 Elected Members (including the Mayor) are the elected representatives of all residents and ratepayers across the City. They are responsible for setting the strategic direction for policy development, identifying service standards and monitoring performance across the organisation.

Mayor Tracey Roberts was first elected to Council in 2003 and served as a Councillor through to 2011. During this time she was elected to the position of Deputy Mayor in 2009, and in 2011 was elected by the residents of the City as Mayor.

Councillor Dot Newton was elected as a Councillor in 2001 and has served on Council ever since. She became the City's Deputy Mayor in 2013. Councillor Nguyet-Anh Truong was elected in 2007 and has been re-elected at every election since then.

Councillors Frank Cvitan and Brett Treby were elected to the first Council of the Shire of Wanneroo in 1999 which later became the City of Wanneroo. Councillor Cvitan has served two terms as a Councillor from 1999 to 2009 and again in 2011 and Councillor Treby has been re-elected to his position since being first elected onto Council.

Councillors Dianne Guise and Norman Hewer were elected to Council in 2009.

Councillors Russell Driver and Denis Hayden were both elected in 2011.

Councillors Sabine Winton, Glynis Parker, Linda Aitken, Domenic Zappa and Hugh Nguyen were elected to Council in 2013.



# YOUR COUNCIL



**Mayor**  
Tracey Roberts JP  
T 9405 5440  
F 9405 5411



Central Ward



**Deputy Mayor**  
Dot Newton JP  
T 9405 2824  
M 0407 981 149



**Councillor**  
Frank Cvitan JP  
T 9409 9940  
F 9440 4777  
M 0419 994 944



**Councillor**  
Dianne Guise  
T 6102 0690

**Area:** Ashby, Gngangara, Hocking, Jandabup, Mariginiup, Pearsall, Sinagra, Tapping, Wangara, Wanneroo and Woodvale (part)

North Ward



**Councillor**  
Linda Aitken  
M 0497 790 960



**Councillor**  
Norman Hewer  
M 0412 490 096

**Area:** Alkimos, Banksia Grove, Carabooda, Carramar, Eglinton, Neerabup, Nowergup, Pinjar, Two Rocks and Yancheep

Coastal Ward



**Councillor**  
Russell Driver  
M 0414 854 173



**Councillor**  
Glynis Parker  
T 9305 9985  
M 0409 408 171



**Councillor**  
Bob Smithson  
T 9562 0858  
M 0410 543 385



**Councillor**  
Sabine Winton  
M 0427 608 627

**Area:** Butler, Clarkson, Jindalee, Merriwa, Mindarie, Ridgewood, Tamala Park and Quinns Rocks

South Ward



**Councillor**  
Denis Hayden  
M 0432 848 550



**Councillor**  
Hugh Nguyen  
M 0403 439 492



**Councillor**  
Brett Treby  
T 9343 8175  
F 9343 8175  
M 0411 209 372



**Councillor**  
Nguyet-Anh Truong  
M 0414 703 338



**Councillor**  
Domenic Zappa  
M 0415 524 787

**Area:** Alexander Heights, Darch, Girrawheen, Koondoola, Landsdale, Madeley and Marangaroo



## COUNCIL ELECTIONS

Local government elections are held every two years, with the next election occurring on 17 October 2015. Voting in the local Council elections is open to any person registered on the State Electoral Roll for that local government.

Any eligible elector can nominate for election with no requirement for a candidate to belong to a political party or other organisation. Councillors are voted in for a four-year term with the community electing the Mayor and Council electing the Deputy Mayor.

## THE ROLE OF THE MAYOR AND COUNCILLORS

Tracey Roberts is the serving Mayor of the City of Wanneroo. The role of the Mayor is to:

- Preside at Council Meetings in accordance with the *Local Government Act 1995*;
- Provide leadership and guidance to the community;
- Carry out civic and ceremonial duties;
- Speak on behalf of the local government; and
- Liaise with the Chief Executive Officer and the local government on the performance of its functions.

Elected Members make important decisions relating to the whole of the local government by considering the views of the community. They also work together with the community, the Chief Executive Officer and the Council Administration to set the strategic direction of the City. The specific role of Councillors, as determined by the *Local Government Act 1995* is to:

- Represent the interests of electors, ratepayers and residents of the district;
- Provide leadership and guidance to the community in the district;
- Facilitate communication between the community and the Council; and
- Participate in the local government's decision-making processes at Council and Committee Meetings.

## ELECTED MEMBER CONDUCT

Section 5.121 of the *Local Government Act 1995* requires a local government to maintain a register of complaints that result in an action under Section 5.110(6) (b) or (c) of the *Local Government Act 1995*.

There were no breaches reported to the Local Government Standards Panel during 2014/15.

## ETHICS

The City of Wanneroo is serious about preventing misconduct, corruption and fraud. It has developed a Fraud, Corruption, Bribery & Misconduct Policy (FCBM) with the following desired outcomes:

- Ensuring and maintaining the highest ethical standards and to reinforce the City's values, in particular 'Integrity'.
- Eliminating or at the very least minimising the opportunities for FCBM to occur at, by or against, the City.
- Providing a clear statement to employees, contractors and elected members that FCBM is not acceptable and will not be tolerated.
- Ensuring that all parties are aware of and accountable for their responsibilities in relation to the prevention, detection and response to FCBM risks and incidents.
- Enabling sound corporate governance, internal controls and transparency.

It has also adopted a Code of Conduct for employees, Councillors and Committees to cover their dealings with the community and others and a Statement of Business Ethics to manage our relations with suppliers.

### *Code of Conduct*

The City's Code of Conduct for Councillors covers the following topics:

Land Dealings, Personal Behaviour, Honesty and Integrity, Performance of Role, Compliance with lawful orders and policies, Administrative and Management practices, Communication and Public Relations, Relationships between Members and Employees, Appointments, Use of the City's Resources and Dealing with Proponents.



### *Statement of Business Ethics*

The City has introduced a Statement of Business Ethics to provide guidance to the City's contractors, service providers and suppliers, of the City's expectations of integrity and ethical conduct. The City's key business ethic principles are: safety, ethics and integrity, governance, openness and effective communication, value for money and sustainability.

### *Reporting Misconduct, Corruption and Fraud*

The City is developing a Fraud, Corruption, Bribery and Misconduct Framework aligned to the Australian Standards AS8001:2008 Fraud and Corruption Control. Through the Framework and associated Plan, fraud, corruption and misconduct control strategies will become an integral part of the City's culture, processes, and procedures and will establish the framework to achieve the following policy objectives:

- Establish an effective fraud control framework;
- Eliminate the occurrence and impact of fraud;
- Communicate the City's intent and responsibility for fraud management, together with individual accountability
- Introduce Fraud awareness training to reinforce the obligations and behaviour expected of staff.

### *Conflict of Interest*

The City's Conflict of Interest and Gifts and Benefits Policy and associated management procedure provides clear direction to staff in managing their interests in accordance with legislative requirements with the following objectives:

- a) ensure that in situations of real, apparent or potential conflict of interest or interest affecting impartiality, decisions are made in a manner which upholds the public interest and facilitates ethical decision-making;
- b) establish measures to help manage and resolve conflict of interest or interests affecting impartiality situations that could impair either the integrity of the City of Wanneroo or the public's perception of its integrity;
- c) establish a common understanding of appropriate conduct expected of all City of Wanneroo employees in relation to gifts, benefits and hospitality.

The City's Elected Members are required to comply with the *Local Government Act 1995* and the *Local Government (Rules of Conduct) Regulations 2007*. In particular, Regulations 11 and 12 provide for disclosing of interests that may affect Elected Members' decision making at meetings and are required to be disclosed through the City's formal process.

### COMPLIANCE

The Audit and Risk Committee recommends a report to Council in respect of the City's Annual Compliance Audit Return, which is required to be signed by the Mayor and Chief Executive Officer and lodged with the Department of Local Government and Communities.

The Audit and Risk Committee receives a report on the six monthly control self-assessment process for compliance in a number of areas that are no longer part of the Department of Local Government and Communities annual audit return.

The Audit and Risk Committee receives a biennial report from the Internal Auditor on the Chief Executive Officer's biennial review of how effective the City's legislative compliance system, internal controls and processes are.

### COUNCIL MEETINGS

The Council of the City of Wanneroo consists of the 14 Councillors sitting as one body, with the Mayor as presiding member. Council is the policy and decision making body for the City and meets every fourth Tuesday evening. The Chief Executive Officer and the Director from each of the City's four Directorates also attend Council Meetings to assist the Councillors with information as required.

Members of the public are welcome to attend Council Meetings but are not permitted to take part in Council debates however they may ask questions during Public Question Time.

Minutes of the Council Meetings are available to the public and are published on the City of Wanneroo website in the week following the Council Meeting.



*Council Meeting Attendance during 2014/15 financial year:*

NAME OF COUNCILLOR AND WARD REPRESENTATIVE	ORDINARY COUNCIL MEETINGS [12]	SPECIAL COUNCIL MEETINGS [3]	AUDIT AND RISK COMMITTEE [8]	ART ADVISORY COMMITTEE [2]	ENVIRONMENTAL ADVISORY COMMITTEE [1]	FESTIVAL AND CULTURAL EVENTS COMMITTEE [2]	WASTE MANAGEMENT ADVISORY COMMITTEE [5]
T Roberts	12	3	7	1	Not a member	1	1
D Newton	12	3	8	Not a member	Not a member	1	5
B Treby	12	3	5	Not a member	Not a member	Not a member	Not a member
B Smithson	10	2	6	Not a member	Not a member	Not a member	3
A Truong	11	2	8	Not a member	Not a member	1	Not a member
N Hewer	10	2	7	Not a member	1	Not a member	5
D Guise	11	3	6	Not a member	Not a member	Not a member	Not a member
F Cvitan	11	3	7	2	Not a member	Not a member	5
R Driver	10	3	5	Not a member	1	Not a member	4
D Hayden	9	2	3	Not a member	Not a member	Not a member	Not a member
L Aitken	12	3	6	Not a member	Not a member	Not a member	Not a member
D Zappa	10	3	8	Not a member	Not a member	Not a member	Not a member
H Nguyen	9	1	7	Not a member	Not a member	Not a member	3
S Winton	12	2	3	Not a member	1	Not a member	Not a member
G Parker	11	3	6	2	Not a member	1	Not a member



### *Council Meetings Dates during 2014/15 financial year*

ORDINARY COUNCIL MEETING DATES	NUMBER OF ITEMS SUBMITTED	SPECIAL COUNCIL MEETING DATES
22 July 2014	31	8 July 2014 7 October 2014 9 June 2015
19 Aug 2014	21	
16 Sept 2014	40	
20 Oct 2014	36	
11 Nov 2014	37	
9 Dec 2014	37	
3 Feb 2015	26	
3 March 2015	36	
31 March 2015	28	
28 April 2015	35	
26 May 2015	39	
23 June 2015	30	

### *Committee Meetings Dates during 2014/15 financial year*

AUDIT AND RISK COMMITTEE MEETING DATES	ART ADVISORY COMMITTEE	ENVIRONMENTAL ADVISORY COMMITTEE	FESTIVAL AND CULTURAL EVENTS COMMITTEE	WASTE MANAGEMENT ADVISORY COMMITTEE
26 August 28 October 25 November 10 February 10 March 15 April 5 May 30 June	3 February 12 May	3 March	24 February	1 July 21 October 9 December 17 February 16 June



### Committee and Working Groups

The City of Wanneroo currently has 5 internal committees and 14 internal working groups. In addition to its own committees and working groups, the City of Wanneroo is also represented by Councillors on 15 external committees and working groups.

Committees and working groups are established as required to consider and provide advice to Council on a number of issues.

INTERNAL	EXTERNAL
Art Advisory Committee	Development Assessment Panel
Anzac Day 2015 Commemorative Working Group	Elderbloom Community Care Centre’s Board of Management
Audit and Risk Committee	Girradoola Going Places Committee
Community Funding Working Group	Joondalup Health Campus Community Board of Advice
Community Safety Working Group	Mindarie Regional Council
Environmental Advisory Committee	North West Regional Road Sub Group
Festival and Cultural Events Committee (FACE)	Small Business Centre North West Metro Board of Management
Heritage Services Advisory Group	Tamala Park Regional Council
Landsdale Memorial Working Group	Wanneroo Agricultural Society
Operating Model Review Community Advisory Group	Wanneroo and Districts Historical Society
Quinns Beach Long Term Coastal Protection Community Reference Group	Wanneroo/Joondalup Local Emergency Management Committee (LEMC)
Quinns Rocks Caravan Park Re-development – Councillor Working Group	North West District Emergency Management Committee (DEMC)
Reconciliation Action Plan Working Group	Waste Management Advisory Committee
RoadWise Working Group	Western Australian Local Government Association (WALGA) North Metropolitan Zone
South Ward Community Reference & Sporting User Group	Western Australian Local Government Association State Council
Wanneroo BMX Raceway Club Relocation Working Group	Yanchep/Two Rocks Community Business Management Committee
Wanneroo Business and Tourism Development Working Group	Yellagonga Regional Park Community Advisory Committee
Wanneroo Town Centre Advisory Group	
Waste Management Advisory Committee	



## DISBANDED COMMITTEES AND WORKING GROUPS

Anzac Day 2015 Commemorative Working Group disbanded at the end of April 2015.

## CHIEF EXECUTIVE OFFICER AND DELEGATIONS

Delegations of Authority provide officers with the power to carry out duties and make determinations. Under the *Local Government Act 1995*, both Council and the Chief Executive Officer are given certain functions and duties to be discharged. The Council and Chief Executive Officer may delegate authority to any other officer to perform functions and duties under the Act or implement Council decisions.

Delegations of Authority are retained in accordance with legal requirements for document retention and keeping of records.

## CITIZENSHIP CEREMONIES

In accordance with the *Australian Citizenship Act 2007*, the Mayor or Chief Executive Officer preside at Citizenship ceremonies in the City of Wanneroo. In 2014/15, a total of 19 ceremonies were held as the City welcomed 2060 new citizens.

Local governments conduct Citizenship ceremonies on behalf of the Department of Immigration and Border Protection (formerly Department of Immigration and Citizenship).

## CONNECTING WITH OUR COMMUNITY

The City strongly believes in the importance of consulting, engaging and communicating with residents and businesses on programmes and issues to reach the best community outcomes. The City also sees as vital its role as an advocate for the community to attract support from other tiers of government.

The City strives to keep the region's culturally and linguistically diverse community actively involved, fully informed and vibrantly connected to the world around them through a range of communications and events.

The City values the importance of a sound and positive relationship with local and metropolitan media and seeks to maintain this relationship in a respectful and efficient manner. In 2013/14 the City distributed 130 media releases. In 2014/15 that figure rose to 174. The City also regularly assisted journalists with media enquiries including growth, advocacy, planning, environment, ageing, youth and events.

Open discussion with the community is crucial to ensure Council can govern strategically and effectively. The City's communication channels include a fortnightly advertorial, *Link*, in the local newspapers, a quarterly magazine *What's Happening*, Mayor's monthly radio interviews, 'Meet the Mayor' sessions, media releases, advertising, e-newsletters, history books, community safety guide, community events, the City's website, Facebook and Twitter. Each edition of *What's Happening* reaches more than 70,000 households and gives the community a snapshot of events, programmes and progress in their neighbourhood.

The City's website and Facebook page provide important information resources for the community, helping them to connect and interact with the City and continue to attract an increasing number of visitors each year. The City also keeps the community up to date via Twitter where issues including road closures, prescribed burns or events need to be communicated quickly. Social media is a vital tool which enables residents to share ideas and give feedback to the City to improve overall customer service.

## Community events

The City of Wanneroo's annual calendar of free events aims to bring our community together while showcasing and celebrating life in the City with a variety of social, cultural and recreational offerings.

The event season runs from October to April, providing a great range of performances, entertainment and activities for the whole family to enjoy.

The City has a successful track record of delivering safe and popular public events to the highest standard. Every year the popularity of the City's free events continues to grow. City of Wanneroo events highlight the unique art, music and culture of both Wanneroo and Western Australia, while promoting a sense of community.

City events cater for the diverse and multicultural interests of residents and give the opportunity for all families to access experiences they might not otherwise be able to enjoy.

While events promote a positive health message to attendees, they also generate local revenue, networking opportunities and service delivery opportunities by involving local businesses wherever possible. More details on event highlights for 2014/15 are on page 94.

## Customer Service

The City has continued to meet its commitment of providing high quality customer service. Our Customer Relations Centre (CRC) answered 101,985 telephone enquiries over

the past year with an average wait time of one minute, 19 seconds. This was a reduction of 2.74% on the number of calls compared to the previous year. Other key statistics over the year include:

- 36,638 emails were received through the CRC. This is an increase of 14.29% compared to 2013/14;
- 52,571 incoming calls were received through general switchboard which was a reduction of 3.16% compared to 2013/14;
- In-person enquiries remain consistent compared to last financial year with 32,591 in-person enquiries received at the Civic Centre;
- 8,210 in-person enquiries were received at Clarkson Library Council Services desk.

Our Customer Relations Centre has also had several improvements that were implemented in 2014/15 including:

- A new online lodgement tool for acceptance of building applications;
- Information of interim rates notices included on additional materials to inform customers they may receive an amended rates notice to show new balances for any additions/alterations on their property;
- A focus on providing consistent information through the use of a knowledge management system;
- A coaching programme to review customer service standards to enhance service delivery.

We are excited to continue into the year ahead with a customer-centric approach in order to continue to meet our commitment of delivering service excellence.





## Community Engagement

### Why We Engage

The City of Wanneroo is committed to fostering a culture of community engagement and participation in the decision-making process. The work the City does impacts the community it serves, therefore it is essential that they are involved. Engagement is more than just telling the community what is being done; it is giving them the opportunity to make a contribution to the decisionmaking process. This gives the City the knowledge that as an organisation they are delivering the best outcomes for the community.

### Key Values and Principles

In undertaking any engagement process the City will be committed to the following principles:

- Encouraging participation of people who live, work, visit or support the City of Wanneroo;
- Encouraging broad representation from all population groups within the community to ensure that a diverse range of views are expressed and considered;
- Minimising barriers to participation;
- Clearly stating the purpose and aims of the engagement, and any associated limitations or constraints;

- Ensuring relevant information is readily available and that it is accurate, comprehensive and easy to understand;
- Clearly defining the engagement period and allowing sufficient time and opportunity for the community to participate;
- Listening, responding and providing feedback to participants and the community about how the information gathered through the consultation process was used to reach the decision or outcome;
- Being efficient, responsible and accountable for each engagement undertaken and the decision made as a result.

### City's commitment to engagement:

- Dedicated resources to facilitate and advise on engagement;
- Training for staff on conducting engagement;
- Ongoing commitment to ensuring our services aligns with the community's needs.



Community event



## Tools that we use to engage:

- Your Say webpage ([www.wanneroo.wa.gov.au](http://www.wanneroo.wa.gov.au), Council section)
- The City’s website ([www.wanneroo.wa.gov.au](http://www.wanneroo.wa.gov.au))
- Wanneroo Link
- Community Newspapers
- Media releases
- Surveys and questionnaires
- E-Newsletters
- Workshops and focus groups
- Committees and Reference Groups
- Social Media – Facebook, Nabo (New Neighbourhood Social Network), Twitter
- Face to face meetings

The City has recently updated its Your Say page to make it more interactive. Stakeholders are now able to register to receive updates on the projects they comment on or are interested in. This allows a better two-way conversation between the City and the community.

The City engages on issues across the organisation including:

- Community programme development;
- Planning applications;
- Road modifications and works;
- Facility development;
- Policy development;
- Strategic plan development;
- Safety;
- Traffic management;
- Community services.



Local Business  
in Wanneroo

### *Economic Development*

The City provides support and services to the business community. Small business support services include working with the Wanneroo Business Association (WBA) to help increase services to build local employment, training and workforce development opportunities. Guidance and support is also given to the Yanchep Two Rocks Tourism Network to maximise the visitor experience as well as promotion assistance to tourism operators. There continues to be a great deal of opportunistic activity and engagement with start-up businesses in Wanneroo offering unique and innovative products and services to the local and international markets. Assistance in business planning and marketing is given either directly or through links with the regional network.







A renewed focus on core Wanneroo competitive advantages include engagement with Wangara and Neerabup businesses looking to expand or create new market opportunities. At the strategic level, focus on the key urban activity centres of Alkimos and Yanchep continues with assistance in the form of identifying the appropriate type and timing of economic infrastructure such as hospitals, tertiary and

vocational training facilities and other civil services. The Neerabup Industrial Area (NIA) also represents one of the largest industrial greenfield parcels of land able to create up to 20,000 jobs over the coming decades. The City is considering a market engagement strategy to deliver the first tranche of diverse jobs needed to achieve this target and has been active with key agencies such as the Department of State Development to consider international investment opportunities. Key areas of focus include advanced manufacturing and engineering, clean technologies and agribusiness. Our research shows a significant amount of future local jobs will be derived from these key industry sectors if the right amount of support and assistance are offered to promote the opportunities.

## Important events in the City

During 2014/15 the City hosted, sponsored and supported many varied events. This included major community, sporting, arts and music events.

### 2014

JULY	AUG	SEPT	OCT	NOV	DEC
Citizenship Ceremony	Citizenship Ceremony		Citizenship Ceremony	Citizenship Ceremony	Festival of the Trees – Christmas community project with local schools
Pioneers' Lunch	Butler Big Play Date		Corporate Golf Day	Mayor's Appeal Campaign	Wanneroo Ratepayers and Residents Association – Wanneroo Community Carols by Candlelight
		Citizenship Ceremony	Citizenship Ceremony	Large Private Citizenship Ceremonies	Yanchep Two Rocks Community and Recreation Association – Carols by Candlelight
		Volunteers function	Race In Your Rates		Uniting Church St Stephens School Carramar – Carramar Community Carols
	Australasian Safari	Dogs Breakfast			Landsdale Community Wesleyan Methodist Church – Landsdale Community Carols in the Park
				Quinns Beach Primary School P&C – Quinns Beach Primary School Community Carols Night	Salvation Army Merriwa – Merriwa Carols
				Buckingham House Open Day	One Church Perth – Wanneroo Christmas Lunch – free for vulnerable homeless persons
				Spring in the Grove	Wanneroo Christmas Lunch

# 2015

JAN	FEB	MAR	APRIL	MAY	JUNE
			<p>Global Beats and Eats with Jimmy Cliff</p> <p>ANZAC Last Post Ceremony</p> <p>Wanneroo Joondalup RSL Sub-Branch – ANZAC Day March</p> <p>Royal Australian Air Force Association (WA) Division Inc – ANZAC Day Dawn Service &amp; Gunfire Breakfast</p>		
Australia Day Citizenship Ceremony	Volunteers Function	Retro Rewind		V8 Supercars	Volunteers Function – Emergency Services
	Live in the Amphitheatre – Outdoor Cinema	Toast to the Coast		Community Art Exhibition	Community Art Exhibition
	Rotary Club of Mindarie – Clean up Australia Day Movie in the Park	Blessing of the Roads	Yanchep Two Rocks RSL Sub Branch – ANZAC Day Commemoration Event	Open Day at Buckingham House	Staying Safe Online Seminar
Yanchep Two Rocks Recreation Association – Australia Day Breakfast		Clarkson Library 10th Birthday Celebrations	Quinns Rocks RSL Sub Branch – ANZAC Day Commemorative Service		
					



## INWARDS INVESTMENT – GRANTS

In 2014/15 the City received funding from Australian and State government departments and agencies for ongoing core activities, longer term projects and one-off projects and events. The revenue raised from external grants continues to remain an important aspect of the City's budget and enhances the City's capacity to meet community needs. Significant external funding has been received for infrastructure and traffic management projects (Roads to Recovery, Black Spot Programme), Emergency Services Levy (Bush Fire Brigades), Home and Community Care (HACC) and financial counselling. Some other recurring grant contracts have also allowed the City to provide community development activities through outreach and case management services in youth services and community centres in the Yanchep area. Other areas that have attracted funding for one-off activities include City of Wanneroo events, coastal management and maintenance and a large scale youth consultation project called YSpeak! which has resulted in the City receiving additional funding to undertake and develop a City-wide Youth Strategy (2016 – 2020). Maintaining and extending this revenue stream is important in a high growth City as it provides essential financial support for the City's ratepayer funded projects.

## VOLUNTEERS

The City of Wanneroo greatly values the many volunteers who work in our community. Volunteers provide valuable support and knowledge to enrich the lives of the people and groups they help. Whether working in Council programmes or in one of the many organisations or groups that use volunteers, Council would like to recognise the services and

support that volunteers provide to our community. More than 312 volunteers donated over 64,900 hours to City of Wanneroo through community programmes and other means this year alone. This is in addition to the Wanneroo Fire Services Volunteers, of whom 217 people donated over 75,400 hours to assist the community in a variety of ways; this is an increase of approximately 16,000 hours from the previous year.

The City of Wanneroo receives hundreds of enquiries from community members wanting to give their time and volunteer for various projects and services. The City endeavours to meet the needs of all people wanting to volunteer by placing them into appropriate roles that suit their needs, or refer them to other organisations who use volunteers.

### Volunteer Resource Centre

The Wanneroo Volunteer Resource Centre is a City initiative, which fosters the culture of volunteering with the purpose of creating resilient and connected communities.

The Wanneroo Volunteer Resource Centre also provides an advisory service to not for profit organisations who utilise the services of our volunteers.

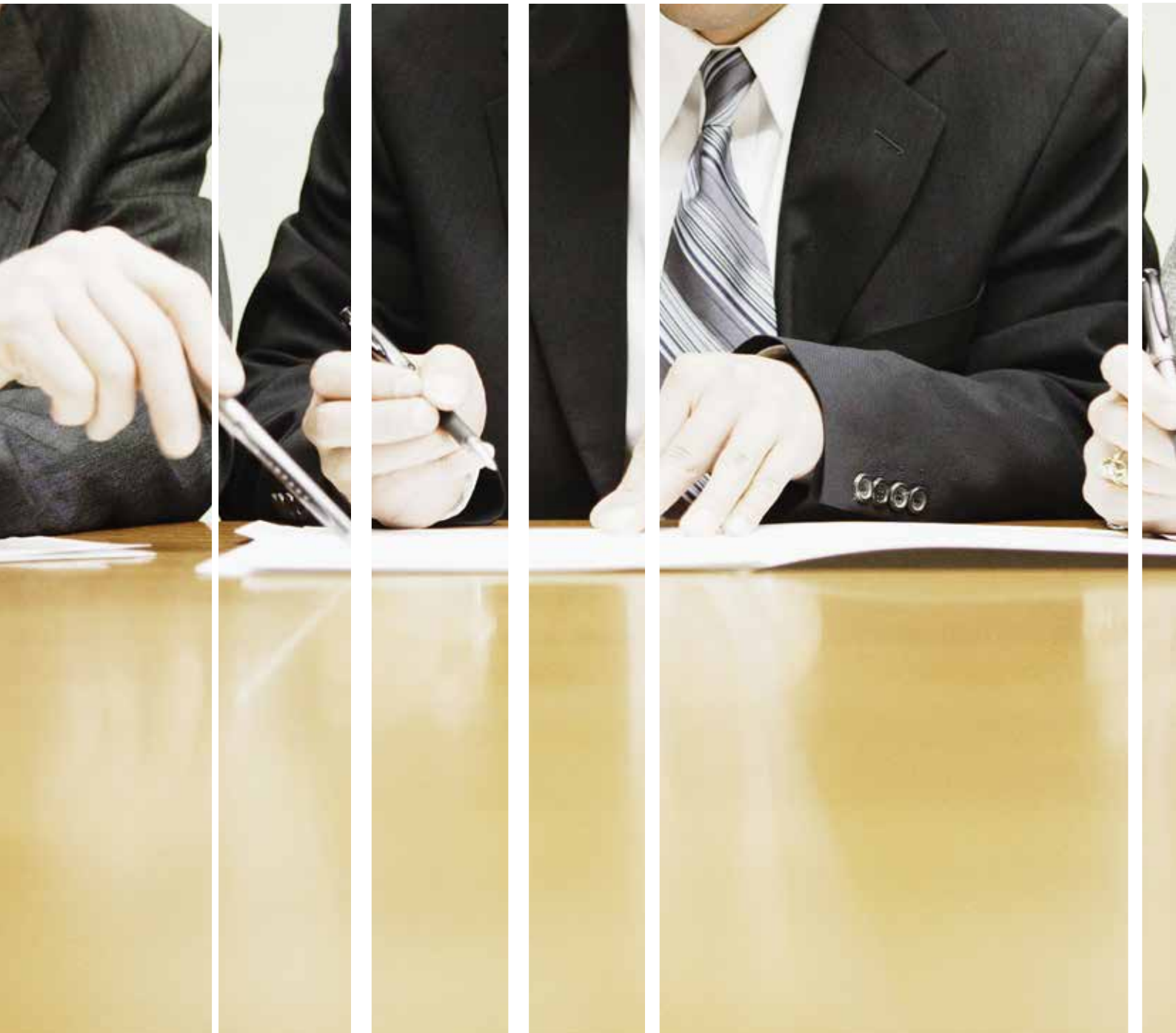
### Special Volunteer Project(s)

There are many projects across the City that our volunteers are involved in, below are just a few examples of these:

- *My Life My Words*
- *Poppin' In*
- *Buckingham House*
- *English Conversation Groups*

# Corporate Governance

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes relationships among many stakeholders involved and the goals by which the institution is governed.



## ASSET MANAGEMENT

### Asset Management Policy and Strategy

The City's Asset Management Policy (AM Policy), which was first developed in 2006, guides the strategic management of the City's diverse asset portfolio. This Policy was last updated on 28 May 2013. The City's first Asset Management Strategy (AM Strategy) was prepared in 2013 in alignment to the City's Integrated Planning & Reporting Framework. Together with the AM Policy, they provide the framework and direction for the management of the City's diverse asset portfolio. Both the AM Policy and AM Strategy are due to be reviewed and updated in 2015/2016.

### Asset Management Plans (AMPs)

The City's first set of AMPs were adopted by Council in 2010 and 2011 which covered three of the five categories of assets which were Transportation Infrastructure, Buildings and Stormwater Drainage. These plans largely

focused on establishing a sustainable long term strategy to manage the asset renewal funding gap and long term asset renewal demand. The review of these plans is under way, including the preparation of AMPs for the remaining two asset categories, which are Parks and Natural Area assets. Finalisation of the plans is anticipated in 2015/2016.

### Asset Renewal Gap

The City manages and maintains a diverse infrastructure asset portfolio, which has a total renewal value in excess of \$1.6 billion. The current predicted value of unfunded renewals (renewal backlog) is \$12.4 million.

The City continues its challenge in balancing its budgets to maintain and replace assets and infrastructure and managing the ongoing asset renewal backlog, while also building new assets and capital investments, providing excellent facilities for the wellbeing of the growing community.

ASSET CATEGORY	ASSET REPLACEMENT VALUE (\$ MILLION)	CURRENT PREDICTED UNFUNDED RENEWAL - BACKLOG (\$ MILLION)
Transport Infrastructure	945	4.900
Building Assets	202	0.400
Park Assets	179	6.900
Stormwater Drainage Assets	248	0
Coastal & Natural Areas Assets	41	0.200
<b>Total</b>	<b>1,615</b>	<b>12.400</b>

### Asset Management System

The City has plans to invest in dedicated Asset Management System software. This will commence with an update to the financial system currently being considered. Following the update to this system, the City will commence the procurement of compatible dedicated Asset Management System software.

In the upcoming year, the following activities are planned:

1. Development of a 20-year Long Term Capital Works Programme.
2. Development of a project prioritisation tool in support of decision making around project criticality in substantiating capital project spend prioritisation.
3. Undertake a maturity assessment of the City's asset management systems approach.
4. Review and update of the City's existing Strategic Asset Management Framework.
5. Development of a strategy for the City adopting a systematic approach to Asset Management such as implementing an ISO 55001 based approach.

## ENTERPRISE RISK MANAGEMENT

### Risk Management Framework and Methodology

An enterprise approach to managing risks underpins the way in which the City conducts its business and makes decisions. A Council approved, robust and consistently applied risk management methodology, aligned with current best practice and AS/NZS 15031000:2009 Risk Management – Principles and Guidelines, is used to identify, prioritise and respond to risk management issues which may impact the achievement of the City's business objectives.

Throughout 2014/15, the following was accomplished, in further supporting the City's approach to managing risk:

- The City's Risk Methodology was adopted in June 2014.
- The City's Risk Management Framework was endorsed in January 2015.
- Risk assessments were carried out at Strategic, Corporate and Operational levels.
- Risk management is embedded in the City's Project Management Framework.
- Development of Business Continuity Plans at Directorate level.





### Strategic Risks

The Management Team conducts a quarterly review of the City’s strategic risks. The table below depicts the City’s current Strategic Risk profile:

RISK TYPE	EXTERNAL RELATIONS	ASSETS	INFORMATION	FINANCE/ COMMERCIAL	PEOPLE/ ORGANISATION	PRODUCT/ SERVICE QUALITY
<b>Governance Risks</b>			Decision Making	Long Term Financial Planning		
<b>Strategic Risks</b>	Integrated Infrastructure & Utility Planning	Water Availability		Economic Growth		Strategic Community Plan
	Fossil Fuel Availability	Climate Change				Productive Communities
	Stakeholder Relationships	Inherited Parks & Streetscape Assets				
		Activity Centres Viability				



### Insurance broking and risk management services

Local Government Insurance Service (LGIS) works together with the City of Wanneroo to provide a unique and tailored suite of insurance and risk management services. The Scheme, incorporating the LGIS WorkCare, Liability and Property funds, provides a pooled fund and mutual scheme with other WA local governments, for City of Wanneroo to take control of their risk and minimise costs, as an alternative to traditional insurance. This is achieved by taking a coordinated approach to risk management, claims management and injury management that is holistic and seamless.

The contribution paid by the City of Wanneroo is required to fund the actual and potential cost of risk exposures. The positive claims performance over recent years has resulted in an annual dividend disbursement to the City.

### Insurance premiums

General insurance premiums (excluding workers compensation) in 2014/15 decreased by approximately 4.5% due to improvements in motor vehicle claims and an aggressive marketing campaign by Local Government Insurance Services where rate/premium reductions were achieved.

The City continues to strive to achieve competitive premiums and comprehensive coverage for our insurable risks.

## AUDIT AND RISK COMMITTEE

The primary objectives of the audit and risk committee are:

- Liaise with the local government's internal and external auditors so that Council can be satisfied with the performance of the local government in managing its affairs.
- The committee also advises the City in the management of business enterprise risks, to review the strategic risk register and provide advice to management on high risk issues.

This committee is represented by the Mayor and all Councillors. Councillor Nguyen was the chairperson and Councillor Zappa the deputy chairperson. The Committee met on the following dates during 2014/15:

- 26 August 2015
- 28 October 2014
- 25 November 2014
- 10 February 2015
- 10 March 2015
- 15 April 2015
- 5 May 2015
- 30 June 2015



## INTERNAL AUDIT

The City's internal audit function operates in accordance with the Institute of Internal Auditors standards. The function consists of an Internal Audit service provider (KPMG) and an in-house audit and assurance resource.

The Audit and Risk Committee recommends the rolling three-year strategic audit plan to Council and annual internal audit plan which guides the activities of the internal audit function.

The Audit and Risk Committee receives a comprehensive quarterly report from the Internal Audit Service provider on the activities of the internal audits conducted and the progress of agreed management actions.

In February 2013, the WA Government amended Regulation 17 of the *Local Government Regulations 1996* to place greater responsibility on local governments to review the audit systems and procedures in relation to risk management, internal control and legislative compliance at least on a biennial basis. As a result the Audit and Risk Committee will now receive reports pertaining to these biennially.

During 2014/15 two key audits were conducted which resulted in improvement actions relating to:

- Building, Planning and Health Compliance processes.
- Internal Controls, Risk Management and Compliances.

## EXTERNAL AUDIT

Council is externally audited by Grant Thornton. For the financial year 2013/14 the annual external audit of Council's Financial and Standard Statements was conducted by Grant Thornton. The Independent Audit Report and external audit management letter were presented to the Audit and Risk Committee meeting held on 28 October 2014. Management responses were also provided to the Audit Committee. On 28 April Council appointed Grant Thornton to conduct the 2014/15 and future year's external audit. The annual audit plan was presented to the Audit Committee on 5 May 2015. As part of the external audit approach, the Internal Audit Programme and selected reports were reviewed.

## SIGNIFICANT AUDIT ISSUE

The most significant audit issue for the 2014/15 financial year is considered to be the Fair Value Revaluation of the City's Infrastructure Assets which has reflected \$404.1 million under Other Comprehensive Income – Changes on Revaluation of Non-Current Assets. The City's total assets have, as a consequence of the revaluation of our Infrastructure assets, increased from \$1.853 billion to \$2.365 billion which will create a lot of challenges and demands on the City's finances, resources and capacities for the years to come.

## CONTRACTS AND PURCHASING

Purchasing is conducted in compliance with the requirements of the *Local Government Act (1995)* and the *Local Government (Functions and General) Regulations 1996* (as amended) and in accordance with the City's Purchasing Policy and associated management procedures.

Unless a tender exemption applies, the purchase of goods and services above a specified value threshold (\$100,000) are acquired through a public tender process. Purchases below this value or through tender exempt processes must comply with the City's request for quotation requirements. Tender recommendations are approved by Council or in accordance with delegated authority.

Details of published tenders and contracts awarded are available through the City's website.

The City awarded 52 contracts during 2014/15 with an estimated contract value in excess of \$45 million.

The City's contracting and procurement function guides and facilitates internal stakeholders in delivering value for money outcomes from procurement activities, whilst maintaining transparency of process and ensuring compliance with statutory and internal procurement requirements. The City has undertaken a comprehensive review and rewrite of its procurement policy framework and delivered a training programme to all staff undertaking procurement activities.

The City is committed to ensuring that procurement is consistent with best practice and the highest standards of ethical conduct in its business dealings with contractors, service providers and suppliers. A Statement of Business Ethics sets out the key principles expected when doing business with the City.

The assessment of suppliers and contractors involves a value for money approach which provides for the best

possible procurement outcome to be achieved for the City. The evaluation process therefore includes an assessment of both price and non-price factors including organisational capability and experience and the ability to perform work in a safe, environmentally sound manner and in accordance with all legislative requirements.

Council is committed to providing a preference to those organisations who demonstrate sustainable business practices and high levels of corporate social responsibility when undertaking the procurement of products and services.

## OCCUPATIONAL SAFETY AND HEALTH (OSH)

Council has a strong commitment to providing a safe and healthy workplace for all employees.

### OSH Strategy and Development

The City regularly reviews its procedures & practices to ensure compliance with the *Occupational Safety and Health Act 1984*. As part of this compliance, audits of the City's Safety Management Systems against Australian Standard AS/NZS 4801:2001 – Occupational Health and Safety Management Systems are conducted.

The last audit was conducted in June 2014, with the City attaining a Silver Award in October 2014 as a result of achieving a score of 73%. It should be noted that a score of 75% would have achieved a Gold Award.

The City continues to maintain a strong focus on the development of internal systems, processes, policies and procedures in order to build a strong safety framework. As part of this, gap analysis projects have been undertaken across the organisation to identify further areas for improvement and to ensure a consistent approach is applied across the City.

## WORKPLACE INCIDENT STATISTICS

NEW INCIDENTS LOGGED 1/7/14 TO 30/6/15 BY DIRECTORATE	
Total	326
CEO	0
City Businesses	119
Community Development	77
Corporate Strategy & Performance	23
Infrastructure	99
Planning & Sustainability	8

The table above shows the breakdown of incidents that have occurred, categorised by the City's Directorate. It should be noted that the City Businesses directorate ceased operation in May 2015, with the service units within that area spread across the remaining directorates.

The two directorates with the highest number of incidents are the operationally focussed Assets and former City Business directorate. Typical works included mobile plant, manual handling, waste operations, use of powered plant and hand tools, and off-road operations.

## INJURY MANAGEMENT

The focus for Injury Management has been to instil positive behaviours and practices in relation to how injuries are managed in the workplace.

Areas of corporate focus include drug and alcohol processes, a pre-employment medical procedure, and training and

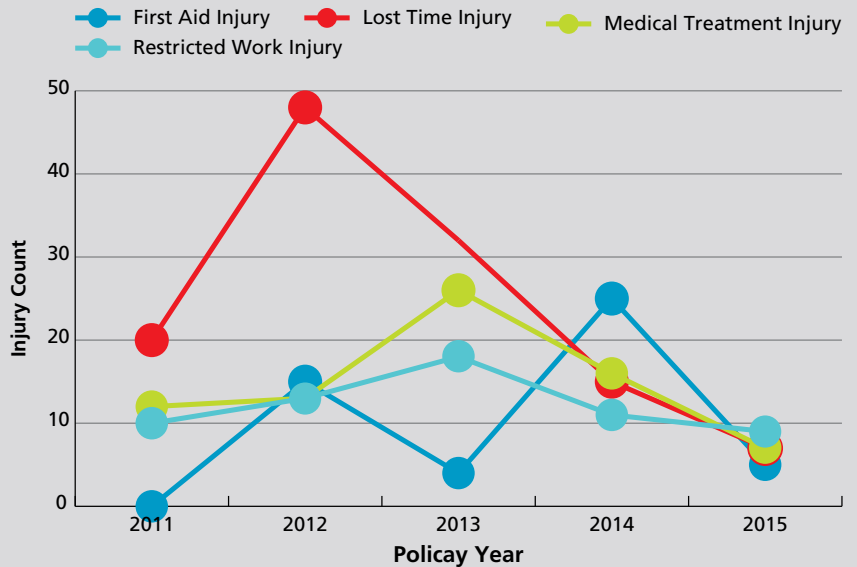
education for leaders on how to effectively manage and support injured workers.

At an operational level, a number of achievements have been made, including a significant increase in sit-stand desk provision (provide employees with the option to sit or stand at their workstations) to administrative personnel, and the rolling out of wide scale manual handling training.

### Workplace Injury Statistics

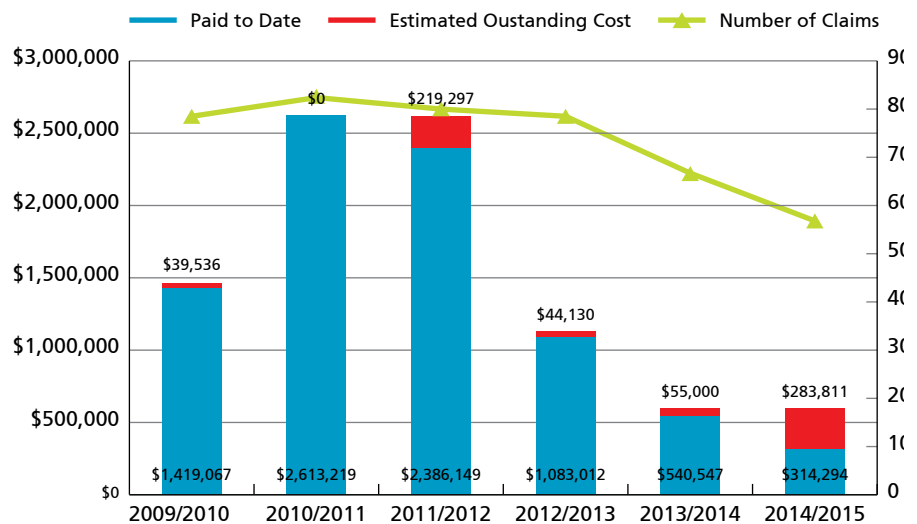
#### Five Year Injury Tracking

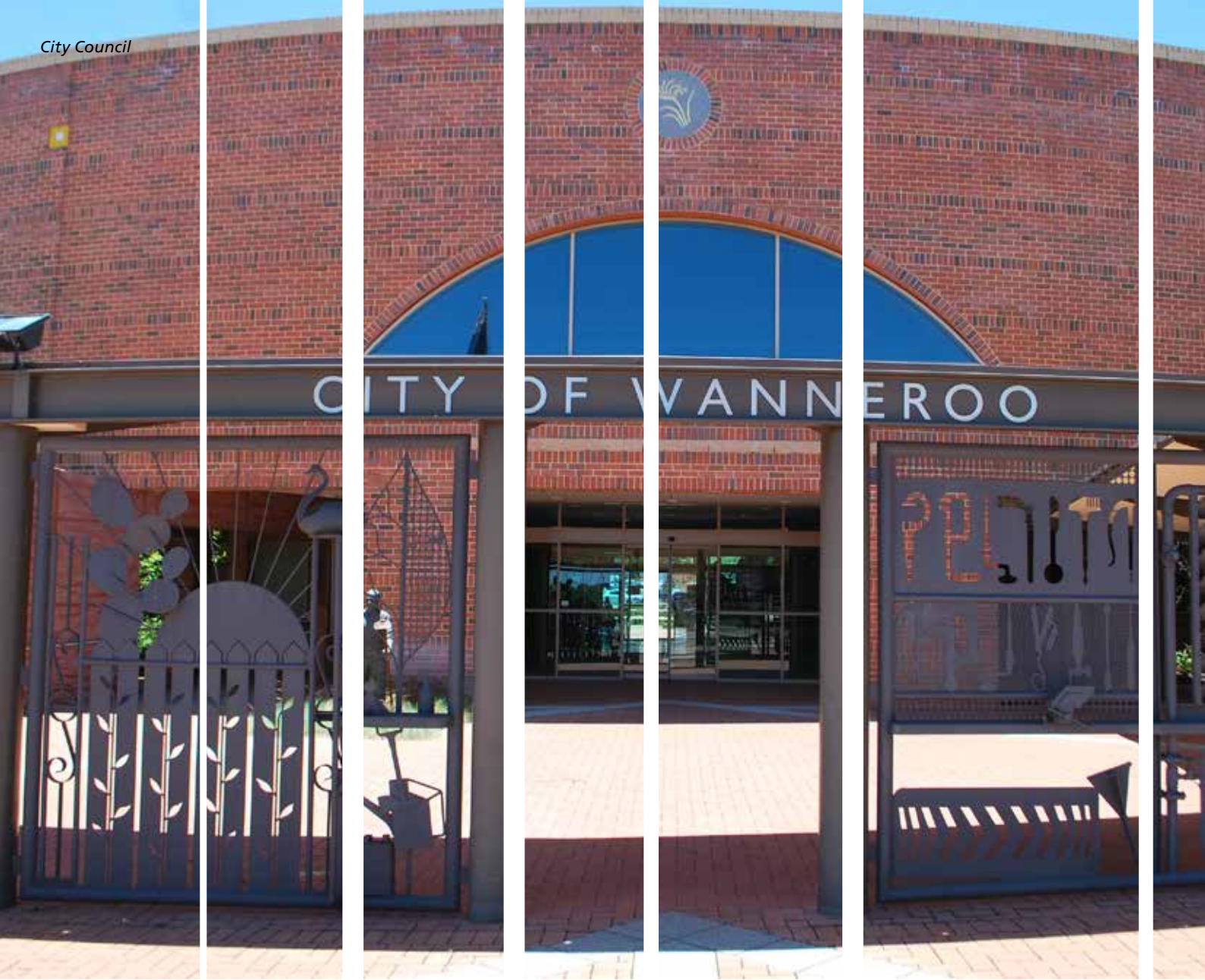
As the graph on the right demonstrates, the overall trend of recorded injuries in the workplace is in decline and currently sits at the lowest it has been in the last 5 years. The particularly pleasing result is the significant decrease in the number of Lost Time Injuries (LTIs), as this demonstrates that even when an injury is recorded, it is generally much less severe than was previously the case.



### Workers Compensation Claims

Over the last 5 years the City has recorded a consistent and significant decline in the cost of Workers Compensation Claims. The number of claims has also dropped from 78 in 2011 to currently 57 for 2014/15.





# OUR ORGANISATION

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Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day-to-day management of operations in accordance with the strategic directions of the Corporate Business Plan. Four Directors, together with the CEO, form the Executive Management Team (EMT) and lead the organisation.

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## OUR EXECUTIVE LEADERSHIP TEAM






Each directorate is directed by a Director who reports to the Chief Executive Officer (CEO). The CEO is directly accountable to the Council elected by Wanneroo residents.

The EMT meets on a bi-weekly basis to oversee and manage the operations of Council and once a month to specifically discuss strategic issues. Members of the EMT attend all Council meetings and provide information and advice enabling Council to make informed decisions on strategic and policy issues. This executive team is supported by 21 service unit managers and staff who have responsibility for implementing the policies and directions set by the Council.

## The Organisational Structure

The City of Wanneroo's organisational structure is made up of four directorates: Community Development, Corporate Strategy and Performance, Infrastructure and Planning and Sustainability.

The Leadership Team includes the Executive Management Team (EMT) and the Operational Management Team (OMT). The following organisational structure details the structure of EMT as at 30 June 2014.

	<p>Starting date: 11 September 2008</p> <p>Degree: Bachelor of Applied Science and a Graduate Diploma in Business in Local Government Management from Deakin University.</p> <p>Daniel has extensive experience in local government in both metropolitan and regional Western Australia working across many disciplines including planning and development, finance and administration, governance and strategic planning.</p>	
	<p>Starting Date: 7 July 2014</p> <p>Degree: Bachelor of Science and Master of Commerce (Industrial Relations) from University of WA.</p> <p>Noelene has over 20 years in senior leadership roles in state and local government.</p>	<p><b>Services:</b></p> <ul style="list-style-type: none"> <li>• Risk &amp; Business Improvement</li> <li>• Human Resources</li> <li>• Governance &amp; Legal</li> <li>• Finance</li> <li>• Information &amp; Communication Technology</li> <li>• Property Services</li> </ul>
	<p>Starting date: 15 September 2014</p> <p>Degree: Bachelor of Urban and Regional Studies from Curtin University.</p> <p>Phil has over 15 years in senior leadership roles in local government.</p>	<p><b>Services:</b></p> <ul style="list-style-type: none"> <li>• City Growth</li> <li>• Planning &amp; Implementation</li> <li>• Land Development</li> <li>• Regulatory Services</li> </ul>
	<p>Starting date: 1 December 2014</p> <p>Degree: Bachelor of Education from Rusden College and Diploma AICD Company Directors Course.</p> <p>Fiona has more than 15 years' experience as a senior leader in the local government sector.</p>	<p><b>Services:</b></p> <ul style="list-style-type: none"> <li>• Community Capacity Building</li> <li>• Community Programmes &amp; Services</li> <li>• Communications &amp; Events</li> <li>• Community Safety Emergency Management &amp; Rangers</li> <li>• Community Health Services</li> </ul>
	<p>Starting date: 1 July 1996</p> <p>Degree: Bachelor of Civil Engineering from Punjab University, India and Master of Technology (Civil engineering) from college of Agricultural Engineering, Punjab Agricultural University, India.</p> <p>Harminder has been employed at the City over the past 19 years.</p>	<p><b>Services:</b></p> <ul style="list-style-type: none"> <li>• Assets Management</li> <li>• Infrastructure Projects</li> <li>• Parks &amp; Reserves</li> <li>• Infrastructure Maintenance &amp; Coastal</li> <li>• Waste Services</li> </ul>

The executive team has been focussed on the Leading Our Future Together (LOFT) programme, a structural realignment to position the organisation to meet the aspirations of our community through the Corporate Business Plan and an Operating Model Review, and the commencement of training in the Australian Business Excellence Framework (ABEF) which continues in the next financial year. The ABEF is an integrated leadership and management system that describes the elements essential to organisations sustaining high levels of performance.

The **Corporate Strategy & Performance Directorate** addresses the full range of functions dealing with 'running the organisation'. This includes a coordinated approach to corporate planning, monitoring and reporting, whilst ensuring business processes and systems are effectively supported, reviewed and enhanced, in a way that will facilitate continuous improvement, maintain high corporate standards and deliver long term financial sustainability.

The **Planning & Sustainability Directorate** is responsible for managing all of the land use planning and development

functions of the City; from project inception, assessment and approval, through to construction and delivery of new developments and communities.

The **Community Development Directorate** has a very strong interface with the community, providing programmes and services as well as advocating for funding and services by other agencies. Support is provided to the most disadvantaged and vulnerable in our community and encourages the growth of self-sufficient community organisations.

The **Infrastructure Directorate** is responsible for ensuring the City's assets are strategically planned, built and managed to a high standard. This includes ensuring the effective and efficient deployment of resources to maximise the benefits to the community. These benefits may be gained from major infrastructure projects like roads and buildings, and also community enhancing infrastructure like parks and coastal environments.

*City Council*





## OUR EMPLOYEES

The City of Wanneroo's workforce of **853** as at 30 June 2015 (established full time equivalent) is one of its most valuable resources. Our employees individually and collectively contribute to delivering services and working towards achievement of the City's strategic objectives.

The City delivers more than **100** different services to a community of over **188,000** residents. Successful delivery of these services relies on employing talented people from a diverse range of career disciplines and levels. Employees have access to a range of opportunities to support them in achieving their goals.

The City is committed to its values of Teamwork, Integrity, Communication, Innovation, Continuous Improvement and Valuing Our People. These values underpin everything the organisation does.

## SALARIED EMPLOYEES

SALARY BAND		NUMBER OF EMPLOYEES
\$ FROM	\$ TO	
\$100,000.00	\$109,999.00	39
\$110,000.00	\$119,999.00	12
\$120,000.00	\$129,999.00	10
\$130,000.00	\$139,999.00	2
\$140,000.00	\$149,999.00	6
\$150,000.00	\$159,999.00	5
\$160,000.00	\$169,999.00	6
\$170,000.00	\$179,999.00	2
\$180,000.00	\$189,999.00	1
\$190,000.00	\$289,000.00	3
\$290,000.00	\$299,999.00	0
\$300,000.00	\$500,000.00	1
<b>Total</b>		<b>87</b>

Regulation 19B of the *Local Government (Administration) Regulations 1996* requires the City to include the following information in its annual report:

- The number of employees of the City entitled to an annual salary of \$100,000 or more; and
- The number of those employees with an annual salary entitlement that falls within each band of the \$10,000 over \$100,000.

To eliminate issues associated with the treatment of benefits other than cash salary, the City has adopted a total employee cost approach to remuneration. This packages all remuneration into one total number. This is considered a far more transparent and open approach to payment which exceeds the requirement of the regulations.

The table is based on the amount each employee actually received over the period of this Annual Report, whether employed for a full year or not, and includes:

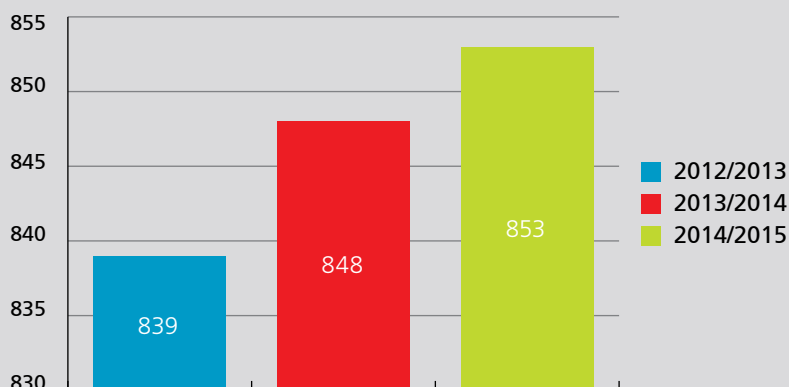
- Annual cash component;
- Statutory 9.25% superannuation, plus City matching contributions to additional superannuation where applicable;
- Salary sacrifice;
- Allowance for motor vehicle;
- Overtime payments;
- Cash-out of leave (either on request or termination);
- Higher duties where applicable.

## STAFF PROFILE

### Full Time Equivalent (FTE) Positions (Trend)

#### FTE Positions

This represents workforce growth of approximately 1% per annum. Growth in FTE is closely monitored by the City and occurs through a planned corporate approach through the City's integrated planning framework. Growth in 2014/15 would however have been higher had it not been for the outsourcing of the Wangara Recycling Centre and the subsequent reduction in approx. 50 FTE.

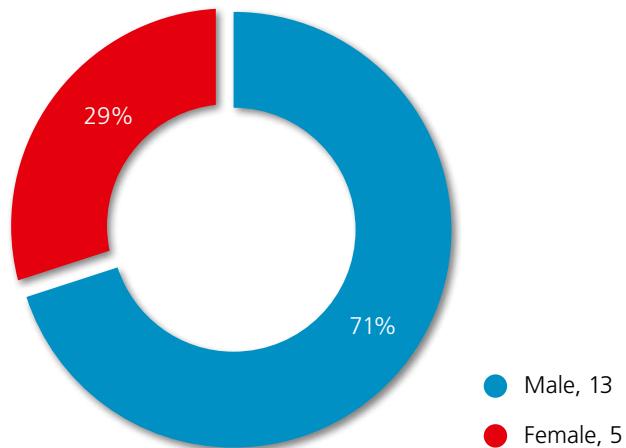


## Senior Management Group

### Senior Management Gender Ratio

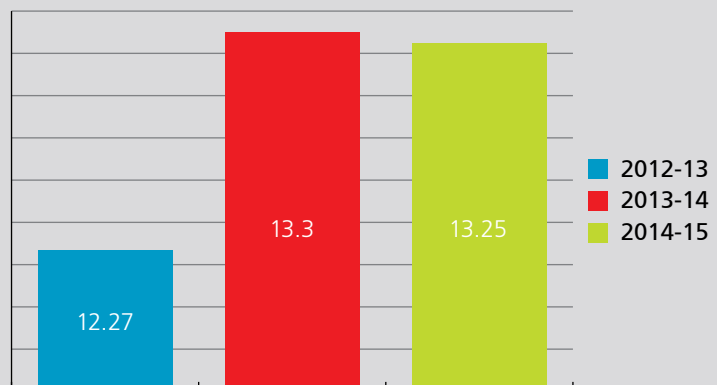
The City's senior management group comprises of the CEO, Directors (as the Executive) and Managers. At the time of the data being provided this represented:

- A well balanced representation of 2 female and 3 male members of the Executive therefore being a 60/40 ratio.
- 6 females and 15 males on the management group again representing a well balance approx. 71 / 29 ratio. The City's female representation on the senior leadership group is one of the highest for all local government authorities.



## Staff Turnover

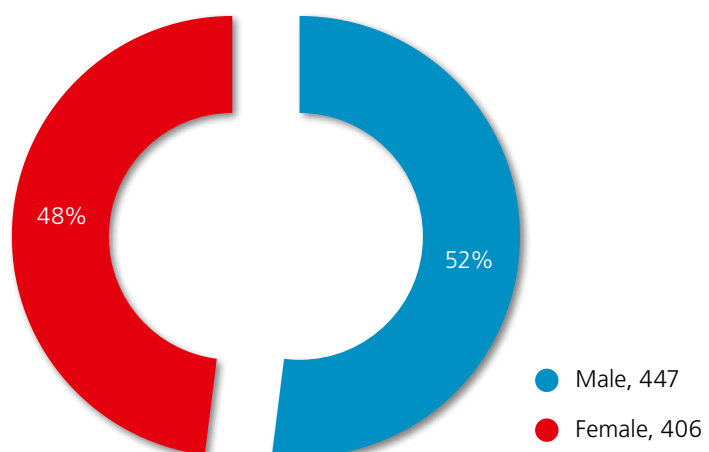
The City's employee turnover is relatively consistent on a year to year basis and excludes casual employees. The slight increase in turnover from 2013 could potentially be attributed to a change in the nature of contracts for casuals within Aquamotion/Kingsway. The City undertook an audit of all casual employees who had been regularly rostered for similar hours over a 12 month period, and in accordance with good industrial relations principles, the City instead offered these casual employees the option to transfer to part-time permanent contracts to offer improved security. The transient nature of the recreation workforce who are now categorised permanent part time would therefore now be included in the turnover statistics, whereas casuals were not.



## Staff by female/male ratio

### All Employees Gender Ratio

The City's male and female representation for all employees below the senior leadership group is also positively well balanced.

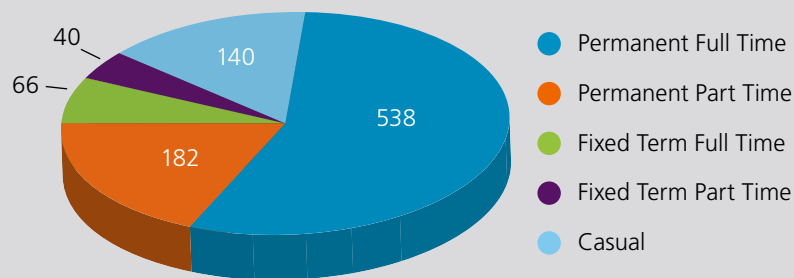


## Staff by employment type (Number of Employees)

The City's four Enterprise Agreements all include clauses that "the City is committed to a policy of employing permanent employees over temporary/casual employees or persons employed through a third party unless the nature of the work is short term, seasonal or is not able to be arranged so that it can be offered to a permanent employee, operational requirements, funding or seasonal variations necessitates the employment of casual or temporary employees".

The City's contractual make-up is therefore representative of this obligation whilst still retaining some level of agility to meet operational requirements.

- 55% are permanent full time
- 19% are permanent part time
- 7% are fixed term full time
- 5% are fixed term part time
- 14% casual



### Leadership Development

Ninety-one of the City's Leaders attended the Leadership and Cultural Development Programme, titled 'Leading Our Future Together' or LOFT, during 2014/15. The objective of the programme is to provide participants with the environment, tools and techniques to effectively lead change, make decisions and execute work effectively as a team. One of the outcomes of the programme is that leaders are better equipped to provide role clarity to each of their team members so that individuals are clear on their own and others' work with the overall goal of being able to more effectively interact in achieving the City's strategic plan.

### Health and Wellbeing

A corporate Health and Wellbeing Programme was implemented in January 2015 with the intent to attract and retain productive and engaged employees through a planned approach to health and wellbeing within the organisation. The Health and Wellbeing Programme encapsulates all aspects of health and wellbeing with the following being implemented in 2014/15 – Employee Assistance Programme; awareness and education to prevent chronic disease through the health and wellbeing calendar and programme of events; and partnerships with local and corporate organisations i.e., health funds, banks and bike shops. 2015/16 will see the design and implementation of mental health awareness and strategies to support transition to retirement to support the City's ageing workforce.

A total of 100 employees attended the 5 seminars held during the 2014/15 financial year. 140 skin screenings were conducted and 290 flu vaccines given during this period.

The 2015/16 Employee Assistance Programme includes the following:

- seminars (6);
- health promotions (4);
- wellness screenings (100);
- skin screenings (150);
- flu vaccinations (300).

### Learning and Development

#### Corporate Learning Programmes

The City scheduled Corporate Learning Programmes based on the needs identified via the annual Performance Development and Review Conversation process and also as driven by the Corporate Business Plan. During this period the City coordinated training that addressed the following:

- New Starter Orientation
- Code of Conduct Training
- OSH Training
- Bullying, Harassment and Discrimination for Team Members and Leaders
- Purchasing Policy Framework Training
- Customer Request Management
- Customer Management Training
- Document Management Training
- Performance Management Training
- Introduction to Local Government
- Policy Development & Procedure Writing
- Project Management Training
- Business Writing Skills

## Study Assistance

The City continues to be committed to lifelong learning and provides an environment and a range of opportunities for permanent employees to maintain and develop professional knowledge, skills and expertise. The Study Assistance programme assists employees to gain a qualification that is relevant to their current position and maximises their contribution to the achievement of the City's goals. Organisational benefits include:

- Acquisition and development of knowledge and skills that contribute to the City's strategic plan;
- Opportunities for organisational based projects/assignments;
- Attraction and retention of valuable employees

## AWARDS AND RECOGNITION

The City employs staff with a diverse range of skills in order to provide the large variety of services required by the Wanneroo community. The City continues to develop a culture that recognises, encourages and celebrates excellence in the workplace. Through its rewards and recognition programme, employees who have demonstrated an exceptional commitment to the vision and values are recognised.

The City celebrated the following years of service amongst its employee group as indicated in the below table:

YEARS OF SERVICE	DIRECTORATE				
	CORPORATE STRATEGY & PERFORMANCE	COMMUNITY DEVELOPMENT	CITY BUSINESSES	INFRASTRUCTURE	PLANNING & SUSTAINABILITY
Five	8	28	5	13	8
Ten	3	13	0	5	1
Fifteen	3	5	0	1	11
Twenty	0	1	1	4	2
Twenty five	0	0	1	1	0
Thirty	1	3	0	1	1

Additionally, throughout the financial year the following activities have been recognised:

- The Regulatory Service team within the Planning and Sustainability Directorate launched 'Scores on Doors,' a new food safety programme. This international best practice initiative allows people to make an informed choice about where to eat and shop for food.
- The Assets Directorate set up a functional Assets Register utilising GIS.
- Within the Community Development Directorate, the Community Facilities team has completed the South Ward Active Reserves Masterplan. This was achieved through an extensive community engagement process to achieve a long term, strategic plan identifying future upgrade needs for all of the recreational open spaces in the South Ward.
- The Contract and Purchasing Service Unit, within Corporate Strategy & Performance Directorate developed and implemented the new Purchasing Policy for the City. The significant improvements brought about by

this policy, the related Management Procedures and training not only mitigates the City's risk but also has improved business efficacy. This work also included the implementation of a Statement of Business Ethics which alerts contractors and suppliers to the City's ethical position in its business dealings.

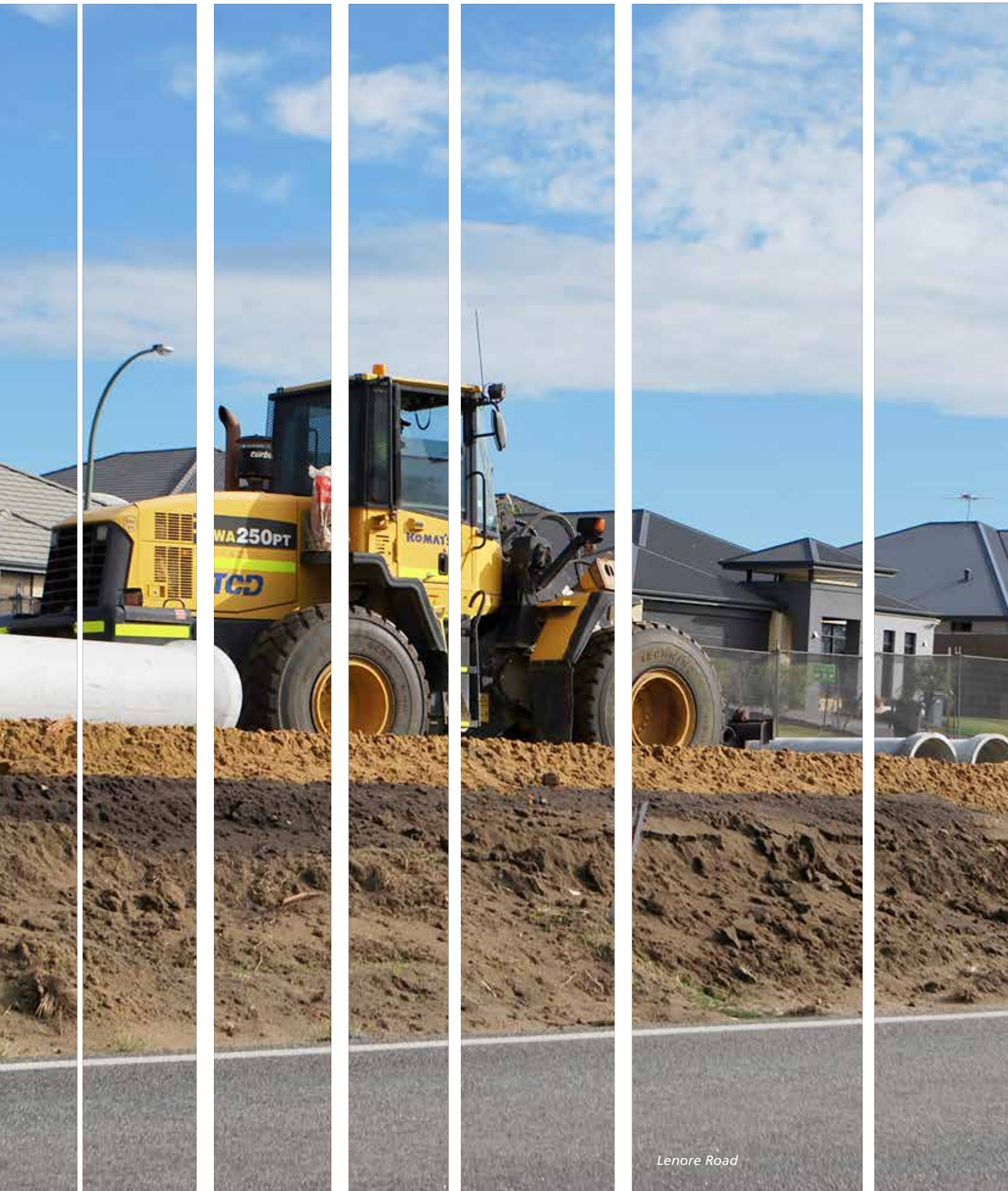
In February 2015 the City launched an Innovation Challenge. It had the following mission:

- To implement a programme of activities in City of Wanneroo that encourages staff to innovate and collaborate
- To launch a platform for the pitching and discussion of ideas that will benefit the City.
- To foster a culture at the City that inspires, cultivates and rewards innovation.

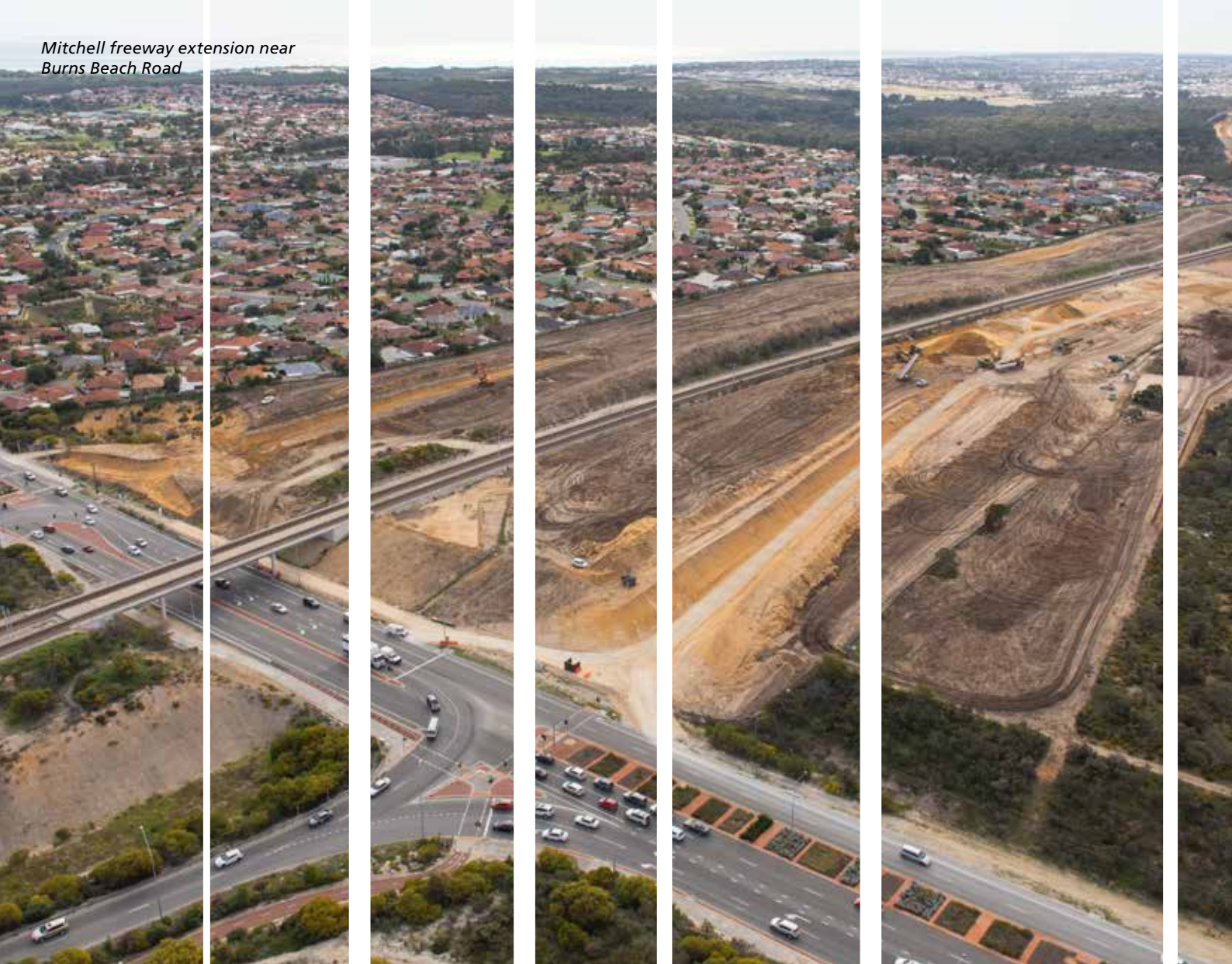
The winner of this challenge was a pop-up Welcome to the City of Wanneroo kiosk; other finalists included a fruit vending machine, remote floodlight and job rotations to the CRC.



# OUR PERFORMANCE



*Lenore Road*



# INTEGRATED PLANNING FRAMEWORK

The *Local Government Act 1995* requires all local governments to implement a plan for the future. Under the Integrated Planning and Reporting Framework new requirements for this plan came into effect in 2013, requiring all local governments to engage with their communities to integrate community priorities with strategic planning for Councils. The framework effectively provides for three levels of integrated planning.



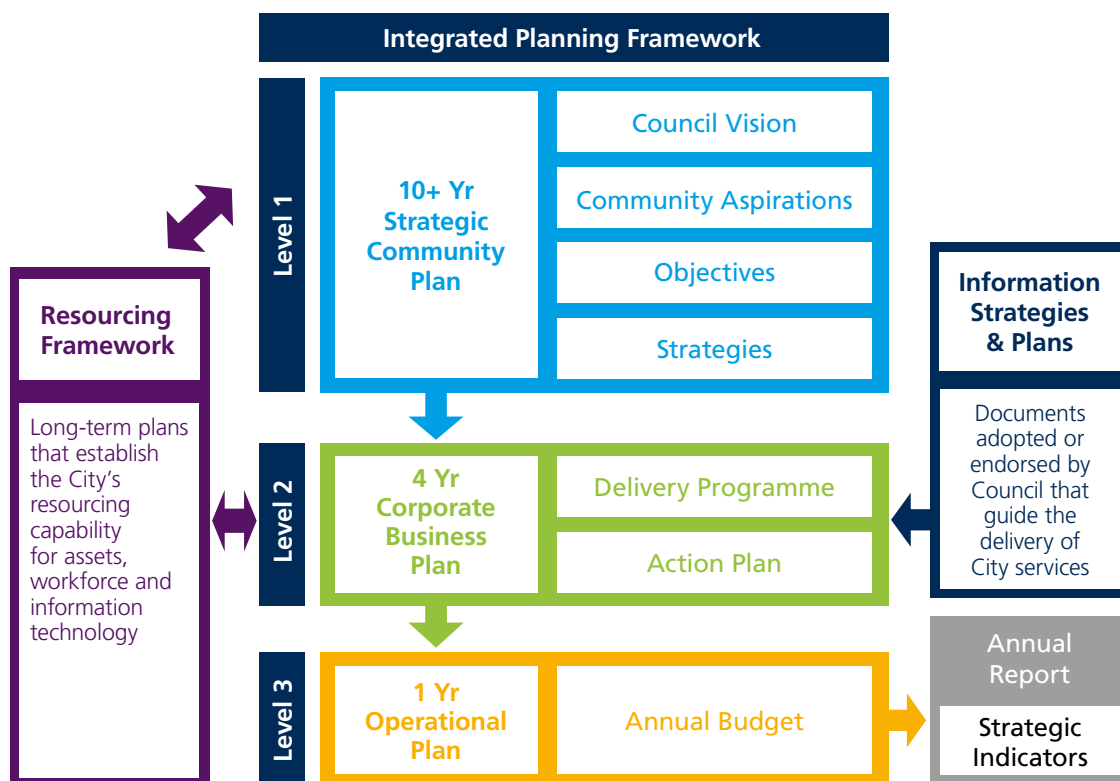
**Level 1** provides for the 10-year **Strategic Community Plan**, which captures the aspirations of our communities and describes the City’s objectives through four key pillars: **Environment, Society, Economy** and **Civic Leadership**. Details of these aspirations, objectives, and what these objectives mean to you are provided in the Table below.

The Strategic Community Plan is the driver for **level 2**, which provides for our **Corporate Business Plan**. The

Corporate Business Plan illustrates Council’s commitments to the Strategic Community Plan over a four-year period. The Corporate Business Plan is reviewed annually, and as the achievements of the first year roll off, a new fourth year is added on.

The **Operational Plan**, at level 3, is an internal document and provides the organisation with specific information on what will be done in the first year of the four-year plan.

**The City of Wanneroo’s Integrated Planning and Reporting Framework**  
**Council Vision: “Building a Future Together”**



Guiding our Integrated Planning and Reporting Framework are other Informing Strategies and Plans and the Resourcing Framework.

Other **Informing Strategies and Plans**, such as the Disability Access and Inclusion Plan, and the Reconciliation Action Plan all address specific issues, and because these have an interdependent nature to integrated planning, these can inform and be informed by other City wide priorities.

Plans incorporated within the **Resourcing Framework** are long term plans that establish the City’s resourcing

capability, and include the Long Term Financial Plan, Strategic Asset Management Plan, Workforce Management Plan, and the Information and Communication Technology (ICT) Strategic Plan. Reviewed annually, these plans inform revisions of the Corporate Business Plan.

The final output in our Integrated Planning and Reporting Framework is the **Annual Report**. This document provides a summary of the City’s performance and achievements against the Strategic Community Plan and Corporate Business Plan for that year, and sets out the priorities and actions planned for the coming year.

*Osprey nesting on a sculpture in Mindarie*

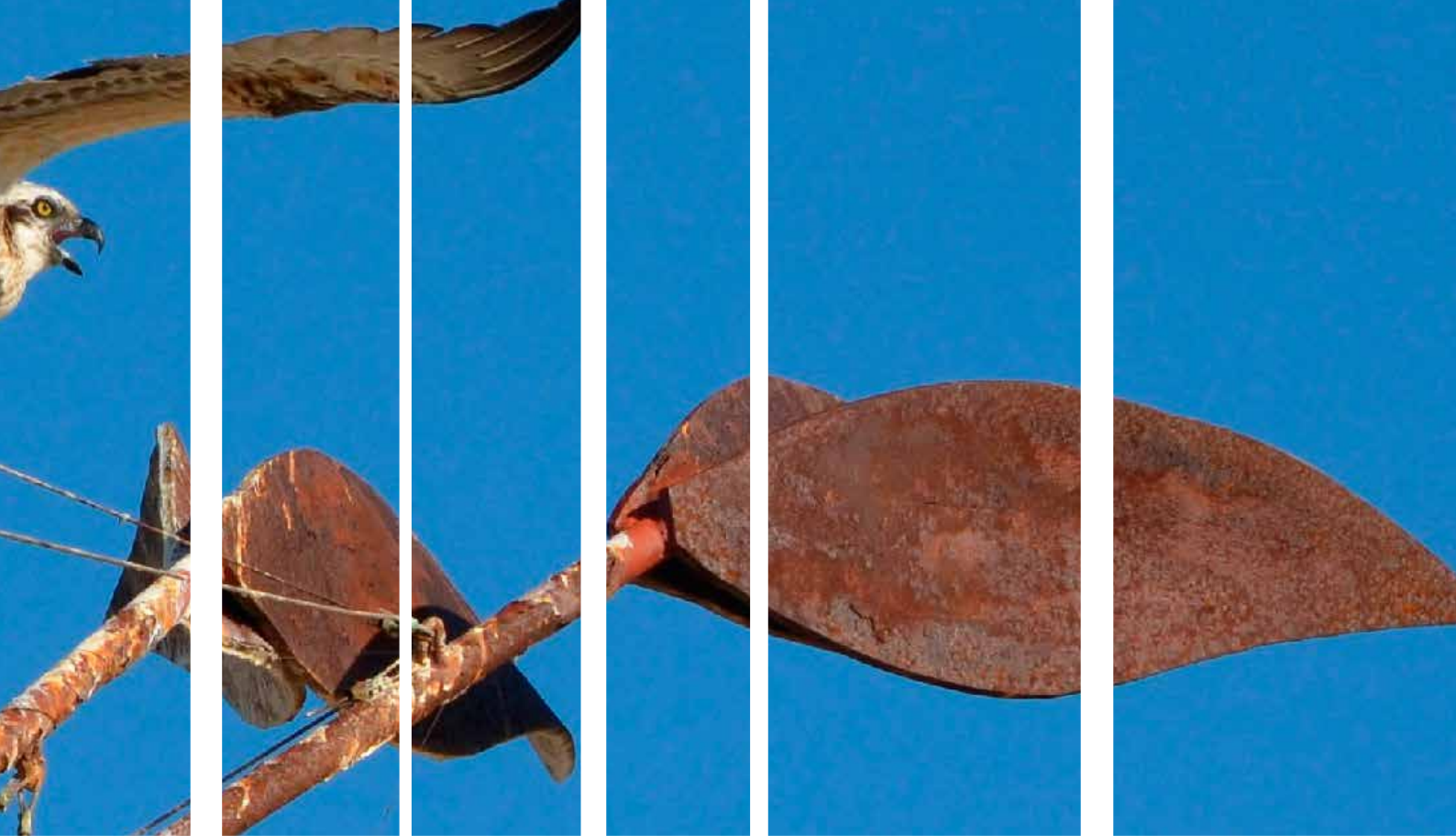


# Strategic Community Plan

The Strategic Community Plan is supported by strategies to deliver on the objectives, and is a key document for Council to report back to our communities on progress and measures. Adopted on 25 June 2013, our **Strategic Community Plan 2013/14 – 2022/23** was developed through extensive community engagement and establishes our long term vision for **'Building a Future Together'**. The Strategic Community Plan will be reviewed following Council elections in October 2015.







## PILLARS AND STRATEGIC OBJECTIVES

<p><b>ENVIRONMENT: A healthy and sustainable natural and built environment</b></p>	<p><b>1.1 Environmentally Friendly:</b> You will be part of a community that has a balance of environmentally friendly development and conservation areas for future generations to enjoy.</p> <p><b>1.2 Conserve Water:</b> We will have a community that encourages water conservation resulting in access to the right amount of water to meet our requirements.</p> <p><b>1.3 Reduce, Reuse, Recycle Waste:</b> Our community will be a leading example of recycling, reusing and waste management.</p>
<p><b>SOCIETY: Healthy, safe, vibrant and active communities</b></p>	<p><b>2.1 Great Places and Quality Lifestyle:</b> People from many different cultures find Wanneroo an exciting place to live with quality facilities and services.</p> <p><b>2.2 Healthy and Active People:</b> We get active in our local area and we have many opportunities to experience a healthy lifestyle.</p> <p><b>2.3 Safe Communities:</b> We feel safe at home and in our local area.</p>
<p><b>ECONOMY: Progressive, connected communities that enable economic growth and employment</b></p>	<p><b>3.1 Local Jobs:</b> You can choose to work locally and reduce the impact of travel time on you and your family.</p> <p><b>3.2 Growing Business:</b> Our community is a preferred place for business to locate and grow.</p> <p><b>3.3 Easy to Get Around:</b> The community is well connected and accessible with an integrated transport approach for all.</p> <p><b>3.4 Smart Communities:</b> Our community and businesses have access to the right information, education and technology they need to be successful.</p>
<p><b>CIVIC LEADERSHIP: Working with others to ensure the best use of our resources</b></p>	<p><b>4.1 Listening and Leading:</b> Our community actively participates in forums and events to discuss and inform the local decision-making.</p> <p><b>4.2 Working with Others:</b> The community is a desirable place to live and work as the City works in partnership with others to deliver the most appropriate outcomes.</p> <p><b>4.3 A Strong and Progressive Organisation:</b> You will recognise the hard work and professionalism delivered by your Council through your interactions and how our community is developing.</p>

## MEASURING THE STRATEGIC COMMUNITY PLAN

The City's Strategic Community Plan (SCP) is required to have regard to strategic performance measurement by setting indicators and ways of measuring these. There are a number of challenges in measuring performance of the Strategic Community Plan since many of the objectives, such as "Great places and quality lifestyles" are qualitative and require customised surveys of residents to measure achievement over time. Fortunately, the City has surveyed the community several times since 2006 to gain an indication of how we are performing on a number of qualitative themes. Other objectives, such as "Local jobs" are more easily measured with employment data for residents in the City available on an annual basis.

There are two measures for each of the SCP objectives and are reported on annually within the City's Annual Report. Where possible, these measures have been aligned to National Sustainability Council Indicators so that in the future, the City will be able to compare itself with other regions using similar indicators.

The results of these SCP measures can be found on pages 85, 100, 112 and 122.

## COMMUNITY SATISFACTION AGAINST THE CITY'S FOUR PILLARS

The City reviews levels of satisfaction with City services on a biennial basis through the community and business perceptions surveys.

Results from the independent community perception survey commissioned by the City were very pleasing. Overall, residents are satisfied with services provided by the City of Wanneroo. When compared to other local governments, the City's overall performance was above the industry average, with 86% of residents satisfied with its performance and 90% happy to live in the City. As a governing organisation, 81% were satisfied with the City's performance including 48% who were delighted, rating the City an eight or higher out of ten.







The following symbols are used to illustrate an increase, decrease or no change to the results when comparing the 2012 results with 2014 results:

Decrease 

Increase 

No change 

The tables below show the results of the Community Satisfaction survey that was conducted in October 2014. These satisfaction measures are linked to the City's four Pillars and thirteen Strategic Objectives listed in the Strategic Community Plan 2013/14 – 2022/23 and the Corporate Business Plan 2014/15.

Community Satisfaction KPI	2012 Result	2014 Result	Increase / Decrease
<b>1. Environment</b>			
<b>1.1 Environmentally friendly</b>			
Conservation and environmental management	68%	81%	13% 
Midge control	65%	64%	1% 
<b>1.2 Conserve water</b>			
Water Resource Management	56%	68%	12% 
<b>1.3 Reduce, reuse, recycle waste</b>			
Weekly rubbish collections	93%	94%	1% 
Fortnightly recycling services	87%	89%	2% 
Verge-side bulk rubbish collections	78%	82%	4% 

Community Satisfaction KPI	2012	2014	Increase / Decrease
<b>2. Social</b>			
<b>2.1 Great places and quality lifestyle</b>			
Streetscapes, parks and sporting grounds	78%	83%	5% ↑
Festivals, events and cultural activities	74%	82%	8% ↑
How local history and heritage is preserved and promoted	69%	72%	3% ↑
Access to services and facilities for people with disabilities	64%	67%	3% ↑
Service and facilities for youth	61%	69%	8% ↑
Facilities, services and care available for seniors	71%	75%	4% ↑
The mix and diversity of housing types in your local area	74%	78%	4% ↑
<b>2.2 Healthy and active people</b>			
Community buildings, halls and toilets	69%	70%	1% ↑
Sport and recreation facilities	82%	81%	1% ↓
<b>2.3 Safe communities</b>			
Enforcement of local-laws	67%	73%	6% ↑
Safety and security	61%	71%	10% ↑
How visible rangers are in the community	53%	62%	9% ↑
Planning and building approvals	61%	68%	7% ↑

Community Satisfaction KPI	2012	2014	Increase / Decrease
<b>3. Economy</b>			
<b>3.1 Local jobs</b>			
Economic development and job creation	54%	63%	9% ↑
Tourism	54%	60%	6% ↑
<b>3.2 Growing business</b>			
Range of commercial services	not measured	81%	no comparison
<b>3.3 Easy to get around</b>			
Access to public transport	69%	73%	4% ↑
Footpaths and cycleways	74%	79%	5% ↑
Parking in commercial areas	not measured	75%	no comparison
Management and control of traffic on local roads	60%	68%	8% ↑
Community satisfaction with local roads/road maintenance	76%	78%	2% ↑
<b>3.4 Smart communities</b>			
Education and training opportunities	70%	70%	- →
Library & information services	86%	90%	4% ↑

Community Satisfaction KPI	2012	2014	Increase / Decrease
<b>4. Civic Leadership</b>			
<b>4.1 Listening and leading</b>			
Overall satisfaction with the City as a place to live	87%	90%	3% ↑
Overall satisfaction with the City as a governing organisation	82%	81%	1% ↓
Value for money from rates	66%	59%	7% ↓
Council leadership within the community	64%	70%	6% ↑
The City has developed and communicated a clear vision for the area	50%	50%	- →
The City has a good understanding of the community's needs	57%	63%	6% ↑
Community trust the City to make decisions on their behalf	not measured	66%	no comparison
How the community is consulted about local issues	5600%	60%	4% ↑
How the community is informed about local issues	64%	71%	1% ↑
<b>4.2 Working with others</b>			
What the City is doing to promote the area	67%	68%	1% ↑
<b>4.3 A strong and progressive organisation</b>			
Efficiency and effectiveness of customer service	73%	80%	7% ↑
Council's website	not measured	81%	no comparison
City's image	not measured	79%	no comparison



Waterfront Park, Alkimos



# Corporate Business Plan

The Strategic Community Plan is supported by the four-year rolling Corporate Business Plan. This plan is reviewed each year, and as the achievements of the first year roll off, so a new fourth year is added. Our first plan for 2013 – 17 was a very ambitious plan. This second plan was no different as we strive to meet the needs of our ever growing community within the parameters of our existing resources. The Corporate Business Plan is the City's contract with our community to deliver on the vision of **Building a Future Together**.



The annual review of operating actions in the Corporate Business Plan is premised on the City's commitments to:

- Good governance - where decision-making is based on a clear and commonly agreed understanding about directions and priorities for the future.
- Sufficient resources – where human, financial and other resources are sufficient to implement Council decisions,

deliver services to agreed standards, and to meet statutory obligations.

- Connectedness - with the City displaying its awareness of the needs of local communities and endeavouring to provide services and facilities that are responsive to these needs.
- Advocacy – where the City actively advocates for its communities with strong supporting evidence.



Monitoring and reporting on the progress of actions listed in the Corporate Business Plan took place throughout the financial year and quarterly reports were submitted to the Audit and Risk Committee. The following reports were submitted to the Audit and Risk Committee during the 2014/15 financial year:

REPORTS	DATE SUBMITTED
1st Quarter CBP Progress report	25 November 2014
Mid-Year (2nd quarter) CBP Progress report	10 March 2015
3rd Quarter CBP Progress report	30 June 2015
Year End (4th quarter) CBP Progress report	25 August and 22 September 2015

## MAJOR CAPITAL PROJECTS

Of the 318 Capital Projects, the City identified 42 major capital projects for the 2014/15 financial year, some of which are not due for completion until later years. The table below illustrates the progress on these projects.

DESCRIPTION	NUMBER OF MAJOR PROJECTS	PROJECTS COMPLETED AS AT 30 JUNE 2015	PROJECTS IN PROGRESS AS AT 30 JUNE 2015	PROJECTS NOT ON TARGET AS AT 30 JUNE 2015	PROJECTS ON HOLD/DELETED AS AT 30 JUNE 2015
Number projects	42	12	23	7	0
<b>Percentage Progress</b>	<b>100%</b>	<b>29%</b>	<b>55%</b>	<b>17%</b>	<b>0%</b>
Budget	<b>29,653,888</b>	<b>4,084,657</b>	<b>15,925,188</b>	<b>9,644,043</b>	<b>20,000</b>
Amount spent	<b>18,466,715</b>	<b>4,158,435</b>	<b>9,071,829</b>	<b>5,236,451</b>	<b>0</b>
<b>Percentage spent</b>	<b>62%</b>	<b>102%</b>	<b>57%</b>	<b>54%</b>	<b>0%</b>

### Major Capital Projects Status Colour Coding

OVERALL STATUS INDICATORS FOR CAPITAL PROJECTS		
Project Status	Budget Status	Risk And Issues
Completed	On target (variance 0-10%)	Low
On target	Almost on budget (variance of 11-20%)	Medium
Under target	Under/over budget (variance of 21% or more)	High
On hold		
Deleted		



The table below lists the 42 major projects and provides details on project progress status as well as the Year to Date budget spent by the end of June 2015. The projects are linked to the relevant Corporate Business Plan Objectives and Pillars. The colour code criteria for the project status, budget and risks are explained in the table on the previous page.

PROJECT DESCRIPTION	END OF YEAR REVIEW (APR – JUNE 2015)			COMMENTS AND CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET	Adjusted Budget 2014/2015 (\$ Million)	Actual Spent as At 30 June 2015 (\$ Million)	% Actual Spent	Committed 2015/16 (\$ Million)
	Project Status at 30 June 2015	Budget	Risks & Issues					
<b>ENVIRONMENT</b>								
<b>Environmental Offset</b>								
Badgerup Lake – Environmental Offset Requirement for various Road extensions/widening and realignment.	On Target	On Target	On Target	Works are in progress as a rolling programme of Environmental Offsets/Rehabilitation associated with road extensions/widening and realignments. Finalisation of the programme is scheduled for completion by 30 June 2019.	385	318	83%	11
<b>Foreshore Management</b>								
Coastal Aquatic Safety – Fast-tracked project to implement agreed outcomes/ recommendations from a risk and safety audit from Surf Lifesaving Western Australia completed between 2013/14.	Under Target	Under Target	On Target	Current project elements completed include signage, QR codes (stage 1 & 2), Emergency Action Plans and Community Education Pilot programme.  A separate working group has been formed to review landscaping/ infrastructure upgrade works to ensure their completion.  CCTV/Emergency Beacon – on target for completion in October 2015.	395	24	6%	27

PROJECT DESCRIPTION	END OF YEAR REVIEW (APR – JUNE 2015)			COMMENTS AND CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET	Adjusted Budget 2014/2015 (\$ Million)	Actual Spent as At 30 June 2015 (\$ Million)	% Actual Spent	Committed 2015/16 (\$ Million)
	Project Status at 30 June 2015	Budget	Risks & Issues					
<b>Parks Rehabilitation</b>								
Irrigation Infrastructure Replacement Programme – Replacement of bores, pumps and irrigation electrical cabinets.	Under Target			The delivery of the remainder of the project delayed due to: <ul style="list-style-type: none"> <li>– Finalisation of design and documentation;</li> <li>– Procurement process;</li> <li>– Contractors availability;</li> <li>– Non-availability of Western Power connections.</li> </ul>	1,750	818	47%	509
<b>Environmental Offset</b>								
Wangara Industrial Drainage Upgrade Construction – remediation & upgrade of pollution controls for the drainage system serving the Wangara industrial catchment area.	Completed			Project was completed in February 2015.	400	431	108%	0
Koondoola Regional Bush land drainage upgrade STAGE 1 – Construction of a stormwater discharge basin complete with an outlet structure, spillway and new pipe works.	Completed			Stage 1 completed in March 2015.	261	283	108%	33
<b>Waste Management</b>								
Pinjar Contaminated Sites Investigation – Pinjar Park Old Tip Site contaminated sites investigation (DER reclassification of site)/ remediation.	On Target			Investigation works are in progress. Invoicing expected during the first quarter of 2015/16 financial year.	100	69	69%	41



PROJECT DESCRIPTION	END OF YEAR REVIEW (APR – JUNE 2015)			COMMENTS AND CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET	Adjusted Budget 2014/2015 (\$ Million)	Actual Spent as At 30 June 2015 (\$ Million)	% Actual Spent	Committed 2015/16 (\$ Million)
	Project Status at 30 June 2015	Budget	Risks & Issues					
<b>Society</b>								
<b>Passive Park</b>								
Passive Park Development Cheltondale Park, Madeley Park.	On Target			n/a.	268	252	94%	13
Develop Passive Parks Tendring Girrawheen.	Completed			Project was completed in August 2014.	107	107	100%	0
Salitage Park Pearsall – Development of Passive Park.	Under Target			Preliminary design undertaken to facilitate advancement of irrigation bore construction. Concept design and public consultation scheduled for completion by November 2015.  To be completed in the 2015/16 year because of additional funding being allocated to the project.	160	40	25%	19
<b>Sport Facilities</b>								
Yanchep District Sports Amenities – Yanchep District Sports Amenities Building Stage 1 – Yanchep/Two Rocks sports amenities building design, documentation and stage 1 of construction.	On Target			The delay is due to additional time required to finalise the Yanchep-Two Rocks Developer Contribution Plan (DCP), obtain Council endorsement of the Marmion Ave Extension and Oval Groundwork's costs, and await the end of the appeals period for the DCP. This process delayed the project by six (6) months, in the main due to the requirements of the Deed of Agreement between the City and Yanchep Beach Joint Venture. Construction works for the access road and groundworks commenced in June 2015. Design of the active sports field and the community building is scheduled to be completed by December 2015 and following the appointment of a contractor, construction works are likely to commence in March 2016.	150	29	19%	0

PROJECT DESCRIPTION	END OF YEAR REVIEW (APR – JUNE 2015)			COMMENTS AND CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET	Adjusted Budget 2014/2015 (\$ Million)	Actual Spent as At 30 June 2015 (\$ Million)	% Actual Spent	Committed 2015/16 (\$ Million)
	Project Status at 30 June 2015	Budget	Risks & Issues					
Yanchep Active Open Space – Design & Construction for the Yanchep Active Open Space.	Under Target			The delay is due to additional time required to finalise the Yanchep-Two Rocks Developer Contribution Plan, obtain Council endorsement of the Marmion Ave Extension and Oval Groundwork's costs, and await the end of the appeals period for the Developer Contribution Plan. This process has delayed the project by six (6) months, in the main due to the requirements of the Deed of Agreement between the City and Yanchep Beach Joint Venture. Works are planned to commence within the first quarter of the 2015/16 financial year. Construction works for the access road and groundworks commenced in June 2015. Design of the active sports field and the community building is scheduled to be completed by December 2015 following the appointment of a contractor, construction works are scheduled to commence in March 2016.	150	82	54%	36
Sports Fields master plan South ward.	On Target			The balance of funds was not required to enable the completion of the project. A small amount has been carried forward to cover any costs associated with the implementation of the master plan outcomes.	50	24	49%	0
Sports Fields master plan for the Coastal ward.	On Target			The balance of funds was not required to enable the completion of the project. A small amount has been carried forward to cover any costs associated with the implementation of the master plan outcomes.	50	30	60%	0
Sports Fields master plan – Central ward.	On Target			The balance of funds was not required to enable the completion of the project. A small amount has been carried forward to cover any costs associated with the implementation of the master plan outcomes.	50	22	44%	0

PROJECT DESCRIPTION	END OF YEAR REVIEW (APR – JUNE 2015)			COMMENTS AND CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET	Adjusted Budget 2014/2015 (\$ Million)	Actual Spent as At 30 June 2015 (\$ Million)	% Actual Spent	Committed 2015/16 (\$ Million)
	Project Status at 30 June 2015	Budget	Risks & Issues					
<b>Community buildings</b>								
Yanchep Surf Life Saving Club – Design & Construction of the new Yanchep Surf Life Saving Club.	On Target			Design development is 85% complete with order of cost within the overall project budget. Construction of the project is due to commence February 2016, and is scheduled for completion by November 2016.	843	739	88%	292
Community Building Assets Renewal Programme – Renewal of various buildings and building asset components.	Under Target			The procurement process for Girrawheen Senior Centre Heating, Ventilation and Air Conditioning (HVAC) was delayed until May 2015 due to the unavailability of technical information and the need for alteration to the original specification recognised during one of the many review stages of the project. The tendering process commenced in May 2015 and the works are now scheduled to be undertaken during the first quarter of 2015/16.	647	414	64%	280
Wanneroo Recreation Centre – Facility Master Plan.	Completed			Project completed using internal resources. Budget was not required and returned.	20	0	0%	0
Clarkson Youth Centre – Facility Master plan.	Completed			Project completed using internal resources. Budget was not required and returned.	20	0	0%	0
Swipe Card and CCTV Provision – Installation and/or upgrade of Swipe Card and Security CCTV to Wanneroo Community Buildings.	On Target			The project was initially funded over the 2014/15 and 2015/16 financial year on the basis that design and construction would occur for half of the identified centres in each year. Project implementation was amended to undertake design of all centres in the first year and implementation in the second. As a result, the year 1 budget is underspent and is to be carried forward to 2015/16.	577	69	12%	686

PROJECT DESCRIPTION	END OF YEAR REVIEW (APR – JUNE 2015)			COMMENTS AND CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET	Adjusted Budget 2014/2015 (\$ Million)	Actual Spent as At 30 June 2015 (\$ Million)	% Actual Spent	Committed 2015/16 (\$ Million)
	Project Status at 30 June 2015	Budget	Risks & Issues					
Fire Detection Systems – Community Centres – Installation and/or upgrade of Fire Detection Systems for City of Wanneroo Community Buildings.	On Target			The project was initially funded over the 2014/15 and 2015/16 financial year on the basis that design and construction would occur for half of the identified centres in each year. Project implementation was amended to undertake design of all centres in the first year and implementation in the second. As a result, the year 1 budget is underspent and is to be carried forward to 2015/16.	230	31	13%	117
Girrawheen Library Renewal project.	Completed			Compliance audit completed in 2014/15. Implementation of corrective actions by 30 June 2015.	150	157	104%	3
<b>Parks furniture</b>								
Park Asset Renewal Programme 2015/16 – Renewal of Playgrounds.	On Target			n/a.	496	499	101%	0
New Playground Installations Programme Hocking – Construction of two new playgrounds in City reserves per Financial Year.	On Target			The scope of work was reviewed due to risk issues. To be completed within the first quarter of the 2015/16 financial year.	132	84	64%	35
<b>Community safety</b>								
Community Safety Crime Prevention – Community safety crime prevention through environmental design.	Completed			Project completed December 2014.	92	92	100%	0
Butler Community Centre Expansion of CCTV Network. To address anti-social/criminal behaviour around the Butler Community Centre precinct.	On Target			The process was delayed by external stakeholders as the purpose of the land changed. The project will be completed during the first quarter of the 2015/16 financial year.	340	179	53%	104

PROJECT DESCRIPTION	END OF YEAR REVIEW (APR – JUNE 2015)			COMMENTS AND CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET	Adjusted Budget 2014/2015 (\$ Million)	Actual Spent as At 30 June 2015 (\$ Million)	% Actual Spent	Committed 2015/16 (\$ Million)
	Project Status at 30 June 2015	Budget	Risks & Issues					
<b>Economy</b>								
<b>Investment</b>								
Develop Industrial Estate Neerabup – Staged Development of the City's Landholdings within the Neerabup Industrial Estate under a Strategic Employment Centre Scenario over the next 20 to 30 years.	On Target			Awaiting clearance from DER before acquiring offset land.	1,318	148	11%	7
Quinns Rocks Caravan Park Re-development – Re-development of the Quinns Rocks Caravan Park into a Modern Tourist Park.	On Target			Demolition works completed. In process to appoint Environmental and Tourism consultants.	500	197	39%	88
Wangara Industrial Area (Develop Lot 15) Remediation and Subdivision – Contaminated Sites investigation (DER reclassification of site).	On Target			Auditor is appointed. Environmental consultant will be appointed during the first quarter of 2015/16 financial year.	270	25	9%	14
<b>Traffic Treatment</b>								
Kingsway Traffic Management – Driver Road to Mirrabooka Avenue Various traffic management treatments.	Completed			Project was completed June 2015.	318	363	114%	0
<b>Roads</b>								
Flynn Drive Realignment and Upgrade – Single carriageway – Stage 1: Wanneroo Road – Flynn Drive; Stage 2: Eastern limit to Tranquil Drive.	Under Target			The City has agreed with Main Roads WA to only carry out necessary works for Stage 1 due to State Government decision to advance the construction of the Mitchell Freeway. This avoided rework of the intersection of Flynn Drive and Wanneroo Road and delivered a more whole of Government approach. Design in progress for Stage 2 of the project. The delivery of this project is now scheduled later in 2015/16 subject to the outcomes of an external funding application.	5,852	3,796	65%	71

PROJECT DESCRIPTION	END OF YEAR REVIEW (APR – JUNE 2015)			COMMENTS AND CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET	Adjusted Budget 2014/2015 (\$ Million)	Actual Spent as At 30 June 2015 (\$ Million)	% Actual Spent	Committed 2015/16 (\$ Million)
	Project Status at 30 June 2015	Budget	Risks & Issues					
Brazier Road Beach Access – Construction of beach path and stairway to beach & rehabilitation works.	On Target			Remaining commitment budget will be utilised to fund ongoing management of the revegetated areas.	389	315	81%	11
Lenore Road Realignment and Upgrade – Stage 1: Ocean Road to East Road, Stage 2: East Road to High Road.	On Target			Delay encountered in the finalisation of the Stage 2 design due to the feedback received through the public consultation process. Construction contract awarded in April 2015 with works scheduled for completion in July 2016.	7,409	7,398	100%	6,683
Renew road – Wattle Avenue, Nowergup Reconstruct failed section of pavement across Neerabup Lake. Wattle Avenue – Wanneroo Road to Dayrell Road, Neerabup.	Completed			Project was completed in November 2014.	318	3138	98%	0
Access Road to Yanchep Active Open Space – Contribution towards the road extension to the eastern access point.	On Target			The delay is due to additional time required to finalise the Yanchep-Two Rocks Developer Contribution Plan (DCP), obtain Council endorsement of the Marmion Ave Extension and Oval Groundwork's costs, and await the end of the appeals period for the DCP. This process has delayed the project by six (6) months, in the main due to the requirements of the Deed of Agreement between the City and Yanchep Beach Joint Venture. Construction works commenced in June 2015 and are scheduled for completion by 30 June 2016.	50	11	22%	0
Marmion Avenue/Lagoon Drive/Peony Boulevard – Upgrade of intersection channelisation, street lighting to Australian Standards and traffic signal installation.	Under Target			Reschedule of the project following Western Power direction to relocate high voltage underground services. Delay in the works for stage 1 will be scheduled for completion within the first quarter of the 2015/16 financial year.	690	63	9%	269

PROJECT DESCRIPTION	END OF YEAR REVIEW (APR – JUNE 2015)			COMMENTS AND CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET	Adjusted Budget 2014/2015 (\$ Million)	Actual Spent as At 30 June 2015 (\$ Million)	% Actual Spent	Committed 2015/16 (\$ Million)
	Project Status at 30 June 2015	Budget	Risks & Issues					
Realign Brazier Road, Yanchep Realignment and reconstruction of Brazier Road past Yanchep Lagoon Stage 2.	Completed			Project was completed in November 2014.	1,931	1,919	99%	17
Upgrade Neaves Road Mariginiup – Intersection upgrades stage 2 – provide overtaking lanes and protect right turn.	Completed			Project was completed in December 2014.	187	200	107%	0
Connolly Drive – Survey, design & documentation – Hester Avenue to Lukin Drive – Dualling.	On Target			Design well advanced with 100% outputs due in August 2015. Consolidated with PR-2779 and under budget.	275	195	71%	0
Connolly Extension – Survey, design & documentation – Neerabup Road to Hester Avenue – Dualling.	On Target			Design well advanced with 100% outputs due in August 2015. Consolidated with PR-2775 and under budget.	310	53	17%	176
Graham Road, Quinns Rocks streets upgrade – upgrade of roads and stormwater drainage systems.	Completed			Project was completed in March 2015.	600	657	110%	0
<b>Pathways &amp; Trails</b>								
City of Wanneroo Cycle Plan – Consultancy to prepare a new City of Wanneroo bike plan.	On Target			Consultancy completed under budget with draft Cycle plan prepared. Community consultation scheduled in the first quarter of the 2015/16 financial year. Cycle plan due to be presented to Council later in 2015.	100	75	75%	0
<b>Civic Leadership</b>								
<b>Corporate buildings</b>								
Wanneroo Civic Centre Extension – Construction of a 2 storey, with basement, office building linked to the existing Civic Centre.	On Target			Council at its meeting of 26 May 2015 accepted the revised Wanneroo Civic Centre Extension Concept Plan. The project phase included implementation of the forward Civil works that were completed by the City's internal resources and resulted in significant cost savings for the City. This project is scheduled to be funded and undertaken over 3 financial years.	1,314	947	72%	1,213

## OUR PLANS FOR THE NEXT 12 MONTHS

**\$81.6 million** is allocated to the capital works programme for the 2015/16 financial year. This represents a decrease from the adopted 2014/15 budget of **\$87.7 million**. A distinction is made between expenditure on new assets, asset renewal and upgrades to existing assets.

23 Significant projects were identified for the 2015/16 financial year with a total budget of \$39 million of the overall Capital Works Budget of \$81.6 million. The table below provides more details of these 23 projects within the City's respective Strategic Pillars.

TOP PROJECT	BUDGET 2015/16
<b>Pillar: Society</b>	
Construction of new community facility at Pearsall	3,050,114
Design & Construction of the new Yanchep Surf Life Saving Club	1,195,000
Compliance upgrade to the existing Kingsway Olympic Sports Clubrooms (soccer club) at Kingsway	718,059
New building (Meeting Room and Ablution Block) at Oldham Park Multipurpose centre necessary to accommodate Volunteer Bush Fire Brigade meets and training	283,000
Kingsway Baseball/Softball Clubrooms – New clubrooms building	1,648,559
Wanneroo Showgrounds – Construction of regional skate park facility and youth precinct Upgrade Wanneroo Showgrounds Skate park	580,245
Access road to Yanchep Active Open Space – Contribution towards the road extension to the eastern access point	39,232
Design, development & construction of the Yanchep Active Open Space	2,417,110
Design, development & construction of the Yanchep District Sports Amenities Building	1,532,792
Stage 1 development of public open space at Mary Lindsay Homestead	300,000
Footpath Programme – Conceptualisation, design, and construction of Concrete Footpath across various locations with the City	783,861
Koondoola Community Centre – New community centre building	2,759,562
Toilet Block, Change facility and civil works at Fishermans Hollow	452,000
Community Centre detailed design, documentation and construction – Quinns Mindarie Surf Life Saving Club	1,283,000
<b>Pillar: Economy</b>	
Flynn Drive realignment and upgrades – Construct single carriageway on new alignment from Wanneroo Road to Tranquil Drive	2,600,000
Wangara Industrial Area – Lot 9005 – Contaminated Sites Investigation/Remediation	339,000
Realignment of Lenore Road from Ocean Reef Road to High Road	5,620,000
Marmion Avenue/Lagoon Drive/Peony Boulevard – Upgrade of Intersection Channelization, street lighting to Australian Standards and Traffic Signal Installation	1,145,000
Connolly Drive Dualling – Design & Documentation from Hester Avenue to Lukin Drive	1,890,000
Connolly Drive Dualling – Survey, design & documentation – Neerabup Road to Hester Avenue	2,105,000
Old Yanchep Road Upgrade Works – Stage 1 – Road upgrade works between Trandos Road and Pederick Road	2,670,000
Wesco Road Nowergup – Reconstruction and Realignment	1,000,000
<b>Pillar: Civic Leadership</b>	
Wanneroo Civic Centre Extension – Construction of a 2 storey, with basement, office building linked to the existing Civic Centre	4,344,142
<b>Total</b>	<b>38,755,676</b>



## OPERATIONAL ACTIONS PERFORMANCE

There are 100 operational actions listed for delivery in the four year CBP:

- 80 of the 100 actions (80%) continue from the previous financial year or are due to start in the current (2014/15) financial year;
- 50 of these 80 actions (63%) were due for completion in the 2014/15 financial year, whilst 30 of these 80 actions are due in outer years.

The City has achieved the following by implementing the 2014 – 18 Corporate Business Plan.

- Twenty one (42%) of the 50 actions that were due for June 2015 were completed;
- Forty three (54%) of the 80 actions that were due to start in the 2014/15 financial year were either completed or are on target.

The tables below are a snapshot of the End of Year (30 June 2014) Corporate Business Plan status:

DESCRIPTION	ACTIONS STARTED IN 2014/15/ CONTINUE FROM PREVIOUS YEAR	2014/15 ACTIONS COMPLETED	2014/15 ACTIONS ON TARGET	2014/15 ACTIONS UNDER TARGET	2014/15 ACTIONS ON HOLD	2014/15 ACTIONS DELETED DUE TO CHANGE OF SCOPE
2014/15 Actions	50	21 (42%)	0	17 (32%)	10 (22%)	2 (4%)
Actions due in outer years	30	6	16	2	6	0
<b>Total</b>	<b>80</b>	<b>27</b>	<b>16</b>	<b>18</b>	<b>17</b>	<b>2</b>

The 80 operational actions and 318 capital projects together represent the City's priorities for 2014/15. Detailed updates are provided in pages 88, 102, 113 and 125. In addition, where actions and projects contribute to addressing strategic risks, this important linkage is also provided.

### CBP Operational Actions Status Colour Coding

The status of CBP operational actions are illustrated in the table below using the following colours:

ACTION STATUS	RISK RATING
Completed	Low
On Target	Moderate
Under Target	High
	Extreme

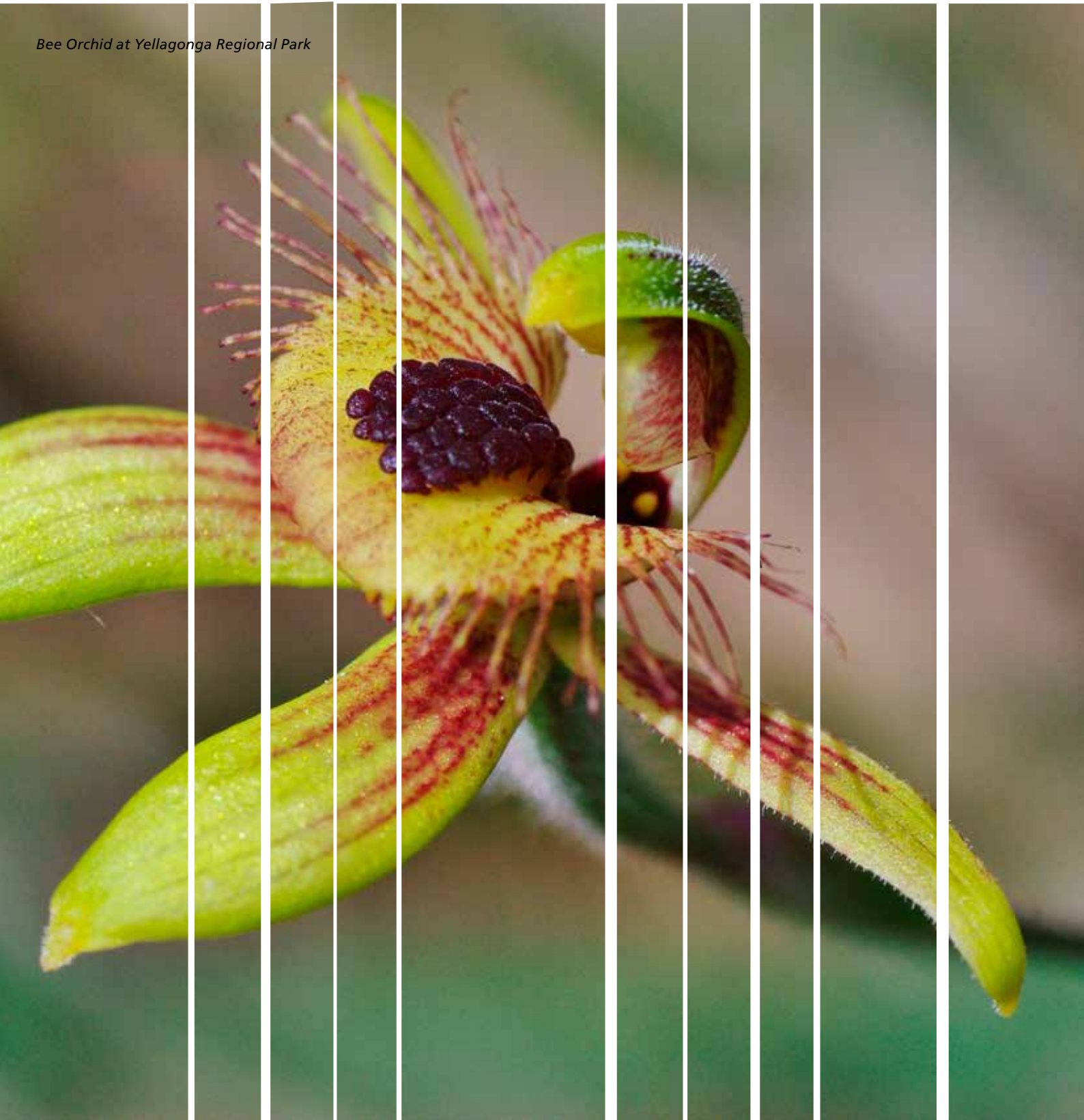
The following section is divided into the four Pillars with their respective Strategic Objectives which includes the following detail:

- Interesting Facts
- Achievements in 2014/15
- Challenges in 2014/15
- Looking Ahead – (next financial year CBP actions) and the 22 Major Capital Projects for 2015/16
- SCP Measures
- Service Key Performance Indicators
- CBP Operational Actions

# PILLAR: ENVIRONMENT

Aspiration: A healthy and sustainable natural and built environment

*Bee Orchid at Yellagonga Regional Park*



## INTERESTING FACTS

INTERESTING FACTS	2013/14	2014/15	CHANGE	INCREASE/DECREASE
Tonnes of domestic waste collected	53,957	55,722	1,765	Increase
Tonnes of recyclables collected	14,554	15,081	527	Increase
Tonnes of bulk waste collected	6,609	7,053	444	Increase
Tonnes of bulk greens collected	4,395	3,166	-1,229	Decrease
Tonnes of commercial waste collected	5,194	319	-4,875	Decrease
*Tonnes of litter, Council facilities & parks	735	658	-77	Decrease
Tonnes of Illegal dumping collected	585	709	124	Increase

\*The overall reduction is due to the closure of the City's commercial operations.

### Waste Diverted from Landfill

41,000 tonnes (50%) of waste was diverted away from landfill out of 82,700 tonnes collected during 2014/15. This was made up of:

- 23,000 tonnes domestic waste processed at the Resource Recycling Facility (RRF) into soil conditioner;
- 11,000 tonnes of materials (glass, paper, plastic, metals) recycled;
- 7,000 tonnes green waste processed into mulch.

## ACHIEVEMENTS, CHALLENGES AND FUTURE PROJECTS

The table below includes the Major Achievements and Challenges for the 2014/15 financial year as well as Strategic Projects for the new financial year 2015/16.

### Strategic Objective: 1.1 Environmentally friendly

#### Our major achievements in 2014/15

##### Coastal Maintenance

The Coastal Aquatic Risk Assessment Audit has been completed which identified the need for further signage which has now been installed. Monthly inspections of the City's Coastal signage are now being undertaken. The Audit also identified a number of other coastal safety improvements, which are currently being worked through and implemented on a priority basis.

The Quinns Beach immediate coastal protection works involving the construction of a sand bag and rock revetment along Fred Stubbs Park were completed in September 2014 and beach areas opened to the public. A study to develop a long term coastal protection solution is currently under way and is likely to be finalised early in 2016.

##### Pinjar Park – Former Waste Facility

An Environmental Consultant has been appointed to investigate a portion of Lot 10823 Old Yanchep Road for the re-classification, remediation and revegetation of the site as part of the offset package for the Neerabup Industrial Area.

#### Our challenges in 2014/15

##### Climate Change

Fail to consider, plan, mitigate and/or adapt to climate change impacts.

#### Looking Ahead – 2015/16 CBP Operational Actions

- Finalise the Climate Change Adaptation and Mitigation Strategy.
- Prepare a draft Part 2 Coastal Management Plan.
- Determine the long term approach for Quinns Coastal erosion management.
- Determine the approach for the Coastal Asset renewal plan.
- Determine the long term approach for Two Rocks erosion management.
- Pinjar contaminated site investigation.

## Strategic Objective: 1.2 Conserve water

### Our major achievements in 2014/15

#### Water Conservation

The City is one of only two local governments announced as a finalist in the 2014 State Australian Water Association Awards. The City was named as a finalist in the Conservation category for its North West Corridor Water Supply Strategy (in conjunction with the Department of Water). The annual awards promote outstanding work in the water sector and recognise innovation and excellence in technology, business, and delivery of water projects. An upgrade of irrigation system at three parks commenced in 2014/15 involving hydro zoning. A number of irrigation controllers and water utilisation metering devices have been installed to collect utilisation data. The City has also been named as a finalist for the Premier's Award and the City will find out if it has been successful on 28 October 2015.

The City is in the process of reviewing its public open space policy and design specifications to ensure that streetscape and public open space designs reflect a reduced water climate. Furthermore, the City has worked closely with the Department of Water to ensure that overall water use in new developments reflects the requirements of the North West Corridor Water Supply Strategy.

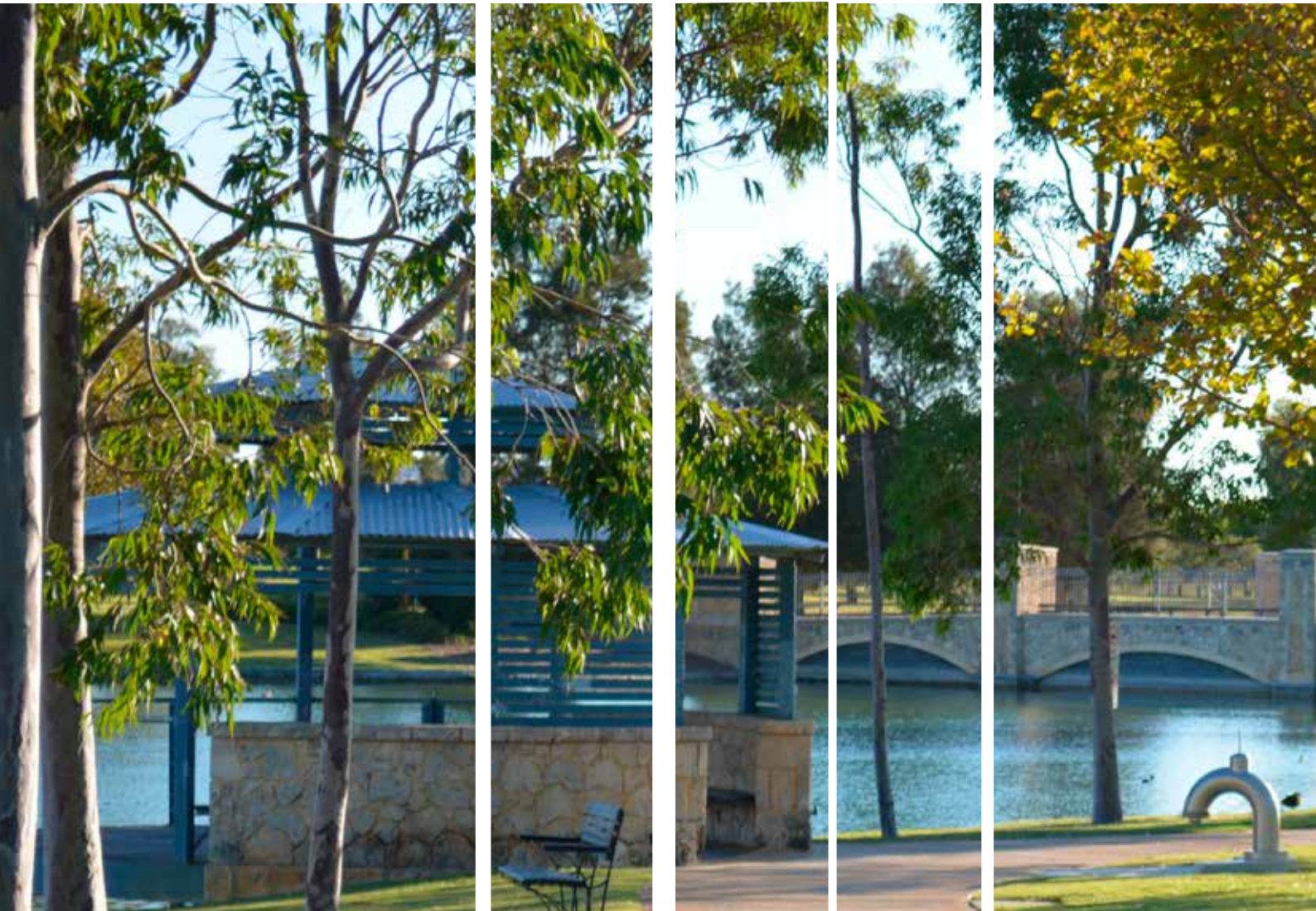
New Public Open Space designs have been showing a new level of innovation in maximising usability and amenity while minimising overall water use.

#### Wangara Recycling Centre – Community Water Saving Initiative

The City has had a very positive response to the Community Water Saving Initiative (mulch giveaway programme). Since Council agreed to extend the scheme, residents have collected over 2,000 cubic metres of water-saving mulch. In addition, the City has also used nearly 6,000 cubic metres of mulch from WRC at a number of parks, streetscapes and conservation reserves.

### Our challenges in 2014/15

Water availability for irrigation and business.



## Strategic Objective: 1.3 Reduce, reuse, recycle waste

### Our major achievements in 2014/15

#### Waste Services

Waste Operations took delivery of 10 new waste trucks, 7 for domestic collection, 2 for recycling collection and 1 to collect either domestic or recycling waste.

The new trucks are Euro 5 compliant and use Selective Catalytic Reduction (SCR) technology to reduce emissions and fuel consumption with an average fuel saving of 5%.

#### Bulk Verge Collection

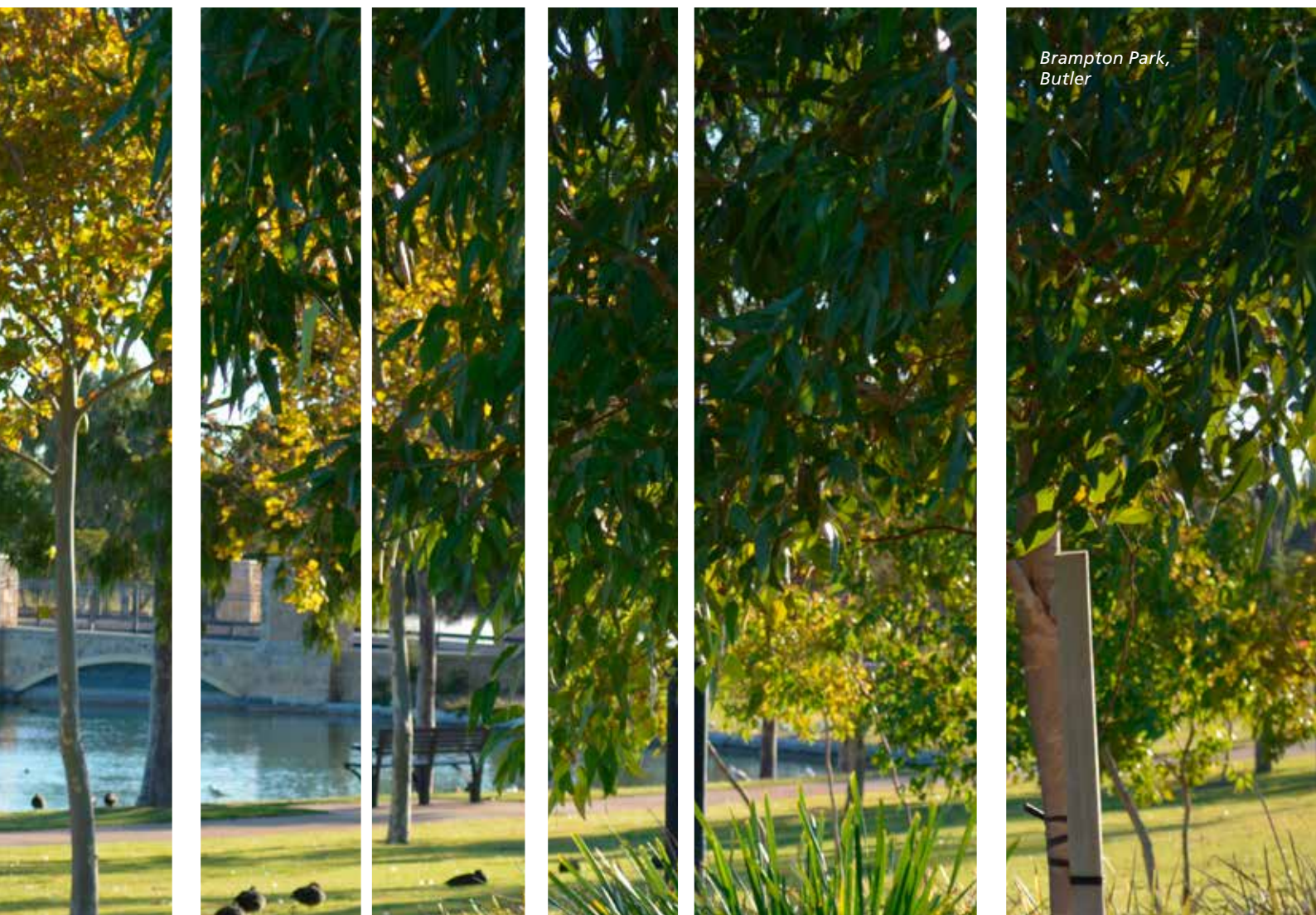
During 2014/15 a total of 7,053 tonnes of bulk waste and 3,166 tonnes of bulk greens were collected. Of this, the bulk greens were fully recycled.

#### E-waste Collection Event

- 10 tonnes of E-waste was collected;
- 169 cars through the gates;
- High volume of small E-waste products collected i.e. IT peripheral equipment;
- 49% of participants had previously used hard waste collections to dispose of their unwanted E-waste.

### Looking Ahead – 2015/16 CBP Operational Actions

- Review options for reforming waste operations.
- Implement Strategic Waste Management Plan.
- Implement a strategy for green waste recycling.



## SCP MEASURES

The table below shows the progress of each measure within the Pillar: Environment.

SCP MEASURE	PREVIOUS YEAR RESULT	2014/15 RESULT
<b>1. Environment</b>		
<b>1.1. Environmentally Friendly</b>		
Extent of native vegetation protection areas (no decrease)	There has been no decrease – due to Bush Forever	There has been no decrease – Since 2012 there have been 6 additional conservation reserves created offering protection to an additional 11.30ha of native vegetation.
Community satisfaction with the City's conservation and environmental management (maintain/improve on 3 year average)	68% satisfaction	81% satisfaction <b>(Improved with 13%)</b>
<b>1.2 Conserve water</b>		
Water use by Council (no increase per capita)	Scheme Water – 89,671KL Bore Water – 3,151,060KL	Scheme Water – 113,388KL <b>(Increase by 23,717KL)</b> Bore Water – 3,730,287KL <b>(Increase by 579,227KL)</b>
Community satisfaction with City's water resource management (maintain/improve on 3 year average)	56% satisfaction	68% satisfaction <b>(Improved with 12%)</b>
<b>1.3 Reduce, reuse, recycle waste</b>		
Waste to landfill – kilograms per capita (maintain/decrease)	The kilogram per capita for 2013/2014 was 44kg (based on Forecast id statistics for a population estimate of 179,813 residents)	The kilogram per capita for 2014/15 is 45kg this is up from 44kg for 2013/14 (+2.27%).  However, the bulk waste collection increased from 6,608.87 tonnes in 2013/15 to 7,052.19 tonnes in 2014/15 (+6.70%).
Waste to recycle – kilograms per capita (increase)	Recycling increased to 404 kg per capita in 2013/2014 (based on Forecast id statistics for a population of 179,813 residents) – an increase of 4% – up from 366kg per capita in 2012/2013 2012/2013 – 366 (based on a population estimate of 172,896 residents)	The kilogram per capita for 2014/15 is 394kg, this is down from 404kg for 2013/14 (-2.47%).  However, the Bulk Greens collection decreased from 4,394.57 tonnes in 2013/15 to 3,165.72 tonnes in 2014/15 (-27.96%).  This is based on Forecast id statistics for 2015 population of 187,392).

## SERVICE KEY PERFORMANCE INDICATOR

SERVICE	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE	PREVIOUS YEAR RESULT	TARGET 2014/15	ACTUAL 2014/15	COMMENT
Waste Management	Waste Recovered	% of total waste diverted from landfill	No previous result	50%* WA Waste Strategy Targets for metropolitan regions (2012)	49%**	Below target
Climate Change	Climate Change Adaptation and Mitigation Strategy	Strategy in place	No Plan	Adopted Plan	Draft in place	Below target
Energy	Energy consumption	Reduce energy consumption	9,588,793kWh (excluding data from Synergy for street lights)	No target	9,282,091kWh (excluding street light data) 20,280,004kWh (include street lights that are not charged per unit – data added from Synergy)	Improved from previous financial year. (Reduction)
Water	Water consumption	Reduce water consumption	Scheme Water – 89,671KL Bore Water – 3,151,060KL	No target	Scheme Water – 113,388KL <b>(Increase by 23,717KL)</b> Bore Water – 3,730,287KL <b>(Increase by 579,227KL)</b>	Increased from previous financial year.

\* Target based on facilities operational capacity to accept waste all year round and subject to contaminated load diversions.

\*\* Actual under target due to facilities scheduled shut downs, unforeseen breakdowns and contaminated loads.

Although the City delivers waste to the recycling facilities a residual amount from these facilities will go to landfill.

## CBP OPERATIONAL ACTIONS

The table below shows the progress of each action within the Pillar: Environment. Refer to page 81 (Results criteria) for the Strategic Risk and Project status colour codes. A "corrective action" is linked to all actions that were "on hold" or "under target" by 30 June 2015.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	YEAR END RESULT (JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
<b>Strategic Objective: 1.1 Environmentally friendly</b>						
1.1 a	Prepare a draft Part 2 Coastal Management Plan.	Jun-15	Climate Change	On Hold	Awaiting consultant to finalise the Coastal Hazard Risk Management Adaption Plan (CHRMAP) which will inform the preparation of the Coastal Management Plan Part 2.	Amended and end date deferred to 2016/17 and action for the 2016/17 year revised to show scope of work for the year to support 1.1 g.
1.1 f	Prepare a draft Climate Change Adaptation and Mitigation Strategy.	Dec-14	Climate Change	Under Target	A draft Strategy has been prepared by Administration.	Description for the action changes to be merged with 1.1h, related to implementation. Revised action to "finalise and implement the Climate Change Adaptation and Mitigation Strategy" and the end date is deferred to June 2015/16 financial year.  The draft strategy will be presented to 29 September Council Forum for discussion and information.
1.1 g	Implement coastal management plan.	17/18	Climate Change	On Hold	Awaiting consultant to finalise the Coastal Hazard Risk Management Adaption Plan (CHRMAP) which will inform the preparation of the Coastal Management Plan Part 2.	This action is deferred to start in the 2016/17 year.



CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	YEAR END RESULT (JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
1.1 h	Implement climate change adaptation and mitigation strategy.	17/18	Climate Change	On Hold	A draft Strategy has been prepared by Administration.	<p>Project did not start in 2014/15 and scope of planning work will commence in 2015/16 and continue to 2017/18 as part of revised action 1.1 f.</p> <p>Implementation of the Strategy will take place following approval by Council. The draft Strategy will be presented to 29 September Council Forum for discussion and information.</p>
1.1 i	Conduct a risk/condition assessment of natural and built coastal structures.	Jun-15	Climate Change	Completed	<p>Risk/condition assessment completed for Quinns Beach groynes and Mindarie breakwater. Other coastal structures including beach access ways are included as part of Asset Structural Assessments being undertaken. Regular Photo monitoring of Quinns beach and groynes, Two Rocks beach north of marina and Mindarie Breakwater are continuing. This action will change to business as usual in the 2015/16 financial year.</p>	n/a.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	YEAR END RESULT (JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
<b>Strategic Objective: 1.2 Conserve water</b>						
1.2 b	Review and finalise the Public Open Space Policy.	Dec-14	Water Availability	Under Target	Draft Public Open Space Policy was adopted by Council for public advertising at its meeting on 23 June. Administration has undertaken extensive consultation and engagement with the sector and the UDIA to develop a robust and contemporary policy.	Completion date deferred to June 2015/16 financial year. A revised policy will be presented to Council for final adoption.
<b>Strategic Objective: 1.3 Reduce, reuse, recycle waste</b>						
1.3 a	Finalise Strategic Waste Management Plan.	Jun-15		Under Target	A working draft has been prepared. The City is now reviewing the Strategic direction and policies currently being prepared by both the State Government and Mindarie Regional Council. This review will allow the City to define the Strategic direction the City needs to take in Waste Management.	The Strategic Waste Management Plan is now scheduled to be finalised by December 2015.

# PILLAR: SOCIETY

Aspiration: Healthy, safe, vibrant and active communities



*City Concert*

## INTERESTING FACTS

INTERESTING FACTS	2013/14	2014/15	CHANGE	INCREASE/ DECREASE
Number of visitors at Wanneroo Regional Museum	11,637	12,276	639	Increase
Number of events/openings held at Cockman/Buckingham House	2,837	1,061	-1,776	Decrease
Number of people to visit Wanneroo Aquamotion	351,634	340,280	-11,354	Decrease
Number of sport teams at Kingsway Indoor Stadium	4058	3081	-977	Decrease
Number of attendees at community events	21,000	23,800	2,800	Increase
Number of engagement programmes conducted	66	31	-35	Decrease
Number of immunisation visits at schools	45	47	2	Increase
Number of immunisation visits at baby clinics	33	33	0	No change
Number of babies immunised	482	412	-70	Decrease
Number of food premises within the City of Wanneroo	712	920	208	Increase
Number of new food premises registered	143	208	65	Increase
Number of food premises inspected	861	787	-74	Decrease
Number of food handlers completed the "I'm Alert" training tool	1433	1668	235	Increase
Number of public buildings registered within the City	189	184	-5	Decrease
Number of new public buildings or variation applications	39	43	4	Increase
Number of public buildings inspected	68	46	-22	Decrease
Number of Infringement notices issued by Rangers & Parking Compliance Officers	1790	2774	984	Increase
Number of animals impounded	No data	1,134	n/a	n/a
Number of development applications received	1,869	2,583	714	Increase
Number of development applications determined	1,817	2,606	759	Increase
Number of building applications received	7306	6920	-386	Decrease
Number of building applications approved	7155	6811	-344	Decrease
Number of building occupancy permit inspections/issued	83	142	59	Increase
% of building applications refunded	16.49%	0%	0	Increase
% of occupancy permit applications refunded	0%	0%	0	Increase
Number of pool inspections	3,297	5,828	2,531	Increase
Number of swimming pools and spas registered within the City	10,814	11,188	374	Increase
Number of swimming pools and spas overdue their 4 yearly inspections	1,231	6	-1,225	Decrease
Number of Home & Community Care services delivered	159,975	195,219	35,244 (22%)	Increase
*Youth Programmes delivered by City of Wanneroo	1,004	560	*-444	Decrease
*Youth Active Partnerships	3	15	*12	Increase
*Youth Programmes delivered through partnerships	161	412	*251	Increase

\*The City has implemented a strong focus since 2013 to increasing and developing partnerships with key youth organisations to deliver services to young people on behalf of the City. The City currently has 15 active partnerships which is an increase of 12 new partnerships since 2013. It is estimated that a total of 412 programmes will be delivered to young people in 2015 through these arrangements. This equates to 972 programmes forecasted to be delivered in 2015 with 57.6% directly delivered by the City and 42.4% delivered through a variety of both formal and informal partnerships with external organisations. This is in comparison to 2013 where the City directly delivered 86.25% of programmes with only 13.75% delivered by others via partnership agreements.



## ACHIEVEMENTS, CHALLENGES AND FUTURE PROJECTS

The table below includes the Major Achievements and Challenges for the 2014/15 financial year as well as Strategic Projects for the new financial year 2015/16.

### 2.1 Great places and quality lifestyle

#### Our major achievements in 2014/15

##### Parks, Conservation Reserves and Streetscapes

The City has taken over the maintenance responsibility of nearly 12 hectares of the following parklands, conservation reserves and associated streetscapes from developers:

- Pulchella Park, Protea Park, Bentham Park, Joseph Banks Gardens and their associated streetscapes – Banksia Grove;
- Monticello Park and Alhambra Park with their associated streetscapes – Landsdale;
- Versailles Park, Rousham Park, Flagstaff Park and Thaxter Park – Landsdale;
- Extensive bunds/verge along Alexandra Drive – Landsdale;
- Broadford Park – Butler.

##### Tourism

The City was shortlisted as a finalist in the 2014 Perth Airport WA Tourism Awards and in the Local Government Award for Tourism.

##### Events

###### *Dogs Breakfast*

Held at Kingsway Regional Sporting Complex in the last weekend of October, Dogs Breakfast is a day for hundreds of dogs and their families to have a 'pawesome' time. The 2014 event was a huge hit and rain did not stop thousands of Western Australians attending.

City rangers were kept busy accepting registrations ahead of the annual renewal deadline and 45 exhibitors offered products and services especially for pets, including photography sessions and beach wear.

###### *City of Wanneroo Presents: Eskimo Joe*

One of the most popular events in the City of Wanneroo's calendar, having featured high quality Australian acts such as the Hoodoo Gurus, Evermore, Jessica Mauboy, Lisa Mitchell and Josh Pyke.

The 2014 concert featured multi-ARIA award winners Eskimo Joe with 13,000 tickets selling out to City of Wanneroo residents within 48 hours. This was the largest turnout of the City of Wanneroo Presents concert series and Eskimo Joe were well received by the capacity crowd.

###### *Australia Day Citizenship Ceremony*

For the second year in a row, the City of Wanneroo hosted Australia's largest citizenship ceremony with more than 600 residents from 55 countries becoming new citizens on 26 January.

The event attracted both State and national coverage, putting the City of Wanneroo on the map and attracting attention from all around Australia.

Australia Day is a highlight of the City's calendar and will continue to be bigger and better each year with our ever growing population.



### **Live in the Amphitheatre**

Due to overwhelming popularity, Live in the Amphitheatre now covers a four week programme of outdoor cinema. All elements of our community were catered for with movie titles featuring a mix of classic, blockbuster and family friendly films throughout February.

Held under the stars in the City of Wanneroo's own Jacaranda Amphitheatre, patrons are encouraged to pack a picnic and come down early to enjoy the sun setting and spend some quality time in the outdoors with their family and friends.

In 2015 the series received more than 2,484 registrations for a total of 4,895 attendees. (This figure excludes children under 12). The attendance statistics indicate a strong demand for outdoor movies in the area and the City's ability to provide a unique service to residents in the area.

### **Retro Rewind**

Retro Rewind is a unique event that epitomises the Wanneroo lifestyle. In 2015 a crowd of more than 3,000 was attracted to the vintage event, which was held at Yanchep National Park in March.

The event showcases the beautiful natural asset, while encouraging attendees to swing dance and have a laugh as kangaroos bask in the sun. Attractions included a vintage hot rod display as well as workshops and activities programmed to celebrate the beauty of everything retro.

The 2015 event saw the stage come alive with performances from *The High Learys*, *The Last Fair Deal* and *Darling Buds of May*.

### **Global Beats & Eats**

Growing in popularity each year, Global Beats & Eats is a chance for the local community to come together and experience eclectic sounds, music and tastes from around the world with an evening that is a sensation for the senses.

Held at Liddell Park in Girrawheen, the April 2015 event saw international reggae legend, Jimmy Cliff take the stage. Partnering with this culturally diverse, family friendly concert gives residents and visitors the opportunity to connect with a wide range of communities throughout the region.

### **Heritage Museums and Arts**

The City presented a series of ANZAC commemoration events including a school programme, planting of ANZAC grevillea at Memorial Park by local school children, the 5,000 poppies project, art work commissions and the highlight being the ANZAC last post event the night before ANZAC day.

For the first time, the City took part in the WA Heritage Festival, the National Trust, through the Regional Wanneroo Museum and Community History Centre.

The 2015 Art Awards and Exhibition was launched on 15 May 2015 with 216 entries on display. Seventy nine or 30% of the entries were from City's residents showing the high level of community engagement with the Awards. 1,429 visitors enjoyed the exhibition.

The City secured the loan of a restored 1928 Chevy 4 vintage truck that played a substantial role in the City's history. This loan is for a period of 18 months.

"Remember When" photo project involved senior members of our community. Twenty members of the GOLD Seniors Programme were interviewed as a memory sharing exercise and this resulted in an exhibition and book publication. The book was successfully launched in March 2015 with very positive feedback.

The City organised and hosted a Northern Perspectives Exhibition for the first time with exhibits from year 12 students in northern suburbs, in March. Over 24 exhibits were received from both public and private schools. The community response to this exhibition was such that the City intends to continue this event in the future, including the possible expansion to other areas of the City.

The Wanneroo Library and Cultural Centre hosted "A Camera in Gallipoli" and "Wanneroo and the Great War", featuring the photos of Sir Charles Ryan. The opening of this exhibition was a huge success, featuring Margaret Cockman as a very engaging and interesting guest speaker.

The Buckingham House volunteers were awarded the Community Group Award for the 2015 City of Wanneroo Australia Day Awards.





## Libraries

Almost 1,400 people attended Clarkson Library's 10th Birthday Open Day on 21 March 2015.

With the introduction of the new front of house Discovery Service, there has been a substantial increase in the use of self-check terminals, rising from 24% in July 2014 to 75% in June 2015. This has enabled staff to introduce new literacy and learning services and better support the increasing demand from customers in using technology, learning new skills and finding out about the libraries online materials.

Over 513,000 people visited the City's four libraries over the course of the financial year, an increase of 10% on last year. At the refurbished Girraween Library, visitor numbers were up by 30%.

In January 2015, the City of Wanneroo's Library Service was one of only three local governments nationally invited to participate in a ground breaking pilot survey of almost 2,500 library customers designed to measure the value the community places on its library service. The City attracted the largest number of responses with a total 2,306. Findings include:

- 88% of respondents use the facilities and services at the City's four libraries;
- 49% use the libraries' online services;
- 96% of respondents see the library as being an important part of the place where they live and 84% say that the library helps them to feel more connected to their local community;
- 97% feel safe and welcome when using the libraries;
- 93% value the libraries for meeting their information and reading needs and 88% believe that the library experience has encouraged them to read more;
- 76% say that the library has enabled them to learn and gain new skills;
- 60% of the respondents indicated that their business or employment opportunities have been helped by the library.

## Facilities

The construction of the Koondoola Community Centre and Kingsway baseball/softball clubrooms commenced in January 2015 with anticipated completion for Koondoola Community Centre being January 2016 and Kingsway Baseball Clubrooms being November 2015. The investment in these two projects supports the replacement of City assets that no longer met the community need and required to be upgraded for future use by the community.

The detailed design for the Pearsall Hocking Community Centre was completed in March 2015 with a view to progressing for construction during the 2015/16 financial year.

Yanchep Surf Life Saving Club detailed design commenced in March 2015. This process included consultation with the Surf Club Executive to finalise a functional and practical design to meet the ongoing needs of the club and community.

St Andrews Reserve floodlighting became operational for the winter season during the last quarter of 2014/15 financial year.

## Parks

The following parks projects were completed during the 2014/15 financial year:

Davinci Park, Tapping; Hinckley Park, Hocking; Cheltondale Park, Madeley; Curtis Park, Girrawheen.

Playgrounds upgraded or replaced during the 2014/15 financial year:

Adora Park, Alexander Heights	Greenfields Park, Hocking	Sandow Park, Clarkson
Bellport Park, Mindarie	Highview Park, Alexander Heights	Serpentine Park, Clarkson
British Soccer Playground, Kingsway Sporting Complex, Madeley	John Moloney, Marangaroo	Warradale Park, Landsdale
Broadview Park, Landsdale	Koondoola Park, Koondoola	Yanchep Lagoon, Yanchep
Charnwood Park, Two Rocks	Rugby Playground, Kingsway Sporting Complex, Madeley	

Parks and equipment upgraded during the 2014/15 financial year:

- Hinckley Park, Hocking
- Cheltondale Park, Madeley;
- Curtis Park, Girrawheen

Shade Sails replaced or installed during the 2014/15 financial year:

- SOUTH – Appleby Park, Darch
- CENTRAL – Jimbub Swamp Park, Tapping
- COASTAL – Abbeville Park, Mindarie
- NORTH – Charnwood Park, Two Rocks.

### Quinns Rocks Caravan Park – Redevelopment

A consultant has been appointed and a project framework has been prepared. A stage 1 environmental assessment of the site has been conducted. The consultant is working with City Planning and Property staff to develop a concept design for submission to the Western Australian Planning Commission as a preliminary Development Application. A tender seeking a suitable consultant to undertake market research for the proposed redevelopment will be advertised in August.

### Local Housing Strategy Implementation – District Planning Scheme Amendment 119

The City has prepared a scheme amendment to implement recommendations of the City's Local Housing Strategy 2005. The amendment proposes to increase the residential density in parts of Wanneroo and Koondoola/Girrawheen to deliver a variety of housing stock. A successful public consultation campaign has been undertaken including online survey and community consultation sessions held in local shopping centres. The results from the public consultation indicate an overwhelming support for the amendment, with 93% of respondents supporting. Following Council's consideration of the submissions made, the amendment will be forwarded to the State Government for consideration by the Western Australian Planning Commission and the Minister for Planning.





## Integrated Infrastructure & Utility Planning

Investment in community infrastructure and utility development does not support City growth aspirations (Government/Private).

## Inherited Parks and Streetscape Assets

Approval of inherited parks and streetscapes beyond financial capacity.

## Activity Centres Viability

Viability of traditional town centre activity hubs.

### Looking Ahead – 2015/16 CBP Operational Actions

- Prepare a draft Local Planning Scheme No. 3.
- Implement the Local Housing Strategy.
- Prepare a draft Local Planning Strategy.
- Audit of City's Municipal Heritage Inventory.
- Prepare a draft Streetscapes Local Planning Policy.
- Review and finalise the Public Open Space Policy.
- Deliver the 15/16 Reconciliation Action Plan commitments.
- Launch the Discover Wanneroo mobile app.
- Participate in the West Australian Heritage Festival.
- Launch a community art project to celebrate ANZAC.
- Open the Koondoola Community Centre.
- Commence implementation of the Quinns Rocks Caravan Park improvement plan.

## 2.2 Healthy and active people

### Our major achievements in 2014/15

#### Community Development

The City was shortlisted as a finalist in the WA Premier's Awards in the Strengthening Families and Communities category.

#### Youth

The Youth team's Shift ATTITUDES anti-bullying programme was short listed for the 2014 Premier's Award.

Youth Services hosted the Drug Aware Skate Series on 16 January at Kingsbridge Reserve, Butler. The event at Butler had the highest registrations of the whole series with a record 52 participants.

Youth Services was successful in winning two grant applications; \$25,000 from Community Crime Prevention Fund to run a new youth programme in Carramar – 'The Drop'. This programme has enabled the City to partner with Music Rocks Australia and Police and Community Youth Centres (PCYC) to provide activities for young people.

The City also received a \$1,000 National Youth Week grant to host a Youth Week event.

Youth Services has implemented a strong focus since 2013 to increasing and developing partnerships with key youth organisations to deliver services to young people on behalf of the City. The City's Youth Services team currently has 15 active partnerships which is an increase of 12 new partnerships since 2013. It is estimated that a total of 412 programmes will be delivered to young people in 2015 through these arrangements. This equates to 972 programmes forecast to be delivered in 2015 with 57.6% directly delivered by the City and 42.4% delivered through a variety of both formal and informal partnerships with external organisations. This is in comparison to 2013 where the City directly delivered 86.25% of programmes with only 13.75% delivered by others via partnership agreements.

Headspace Joondalup in which the City is a consortium partner commenced operations as of April 2015.

Headspace outreach services commenced at Hainsworth Community Centre as of July 2015 operating one day per week.

#### Healthy Communities





After a very successful completion of the 2012 – 2014 Reconciliation Action Plan (RAP), Council endorsed the 2015-2017 RAP on Tuesday 9 January 2015.

With support from the City, Surf Life Saving WA delivered the Multicultural BeachSAFE Programmes to 36 culturally and linguistically diverse (CaLD) students aged 8 to 15 years.

The City was successful in securing funds for the ground-breaking “Your Move” programme, which aims to decrease traffic congestion and promote physical activity, which will be delivered in the City of Wanneroo in 2015. In May 2015, the “Your Move” programme was launched in partnership with WA State Government.

The City of Wanneroo developed its first Early Childhood Policy and Strategy (2014 – 16) with the support of specialist early childhood agencies to support children in their first eight years of life. The Strategy was launched in October 2014. The Early Childhood Strategy is a three year plan that provides a common agenda for the healthy development of children in their first eight years of life. The City plays a key role in providing advocacy, advice and facilitation for early childhood services that are universally accessible and provide a targeted approach to engage disadvantaged and hard-to-reach families.

The Strategy focuses on community driven plans and those that leverage on existing City initiatives and resources, ensuring greater integration and collaboration; leading to more sustainable initiatives that build capacity in families and the wider community to support the early learning and development needs of young children.

The official opening of the ECU Health Centre in Wanneroo took place in early December 2014.

Successful participation of schools at the City’s Festival of the Trees that promoted recycling, encouraging children to actively think about reusing materials that they may otherwise throw out.

The City was awarded Metropolitan winner of the 2014 Children’s Health Environment Report Card Project that recognises local governments in WA who are delivering strategies that support children’s health and wellbeing at the local level.

### **Dementia Partnership Project**

The City has been involved in this initiative since June 2014. In January, the project moved into the implementation stage where Alzheimer’s WA has worked closely with staff at the Alexander Heights facility working with members living with dementia, to roll out a significantly different way of working (known as “Household Model”).

### **Aged Care Services Audit**

The City’s Community Aged Care Package Programme was audited by the Commonwealth Quality Agency in February to assess the City’s policies, processes and protocols against Common Care Standards. Formal notification by the State Manager for the Quality Agency reported that the City has met all outcomes expected from the 3 areas assessed.

### **Golf Course Management Plan**

An expression of interest was advertised for the appointment of a Golf Course Consultant to assist the City with the future proposed management plan for the City’s public golf courses.

### **Golf Courses Master Plan**

A brief and scope of services is being prepared as part of an RFQ process seeking the services of a Golf Course Architect to prepare Master Plans for both Marangaroo and Carramar Golf Courses.

### **Looking Ahead – 2015/16 CBP Operational Actions**

- Present ANZAC showcase of life in Wanneroo in WW1.
- Deliver a Behind the Scenes Museum Tour.
- Remember When – City of Wanneroo oral history photography display.
- Launch virtual tours for 3 Museums on City website.
- Investigate development of a ‘museum in a box’.





- Launch the Live Work Play Wanneroo Book Publication.
- Deliver on Early Childhood Strategy Priority Areas 1 – 4.
- Develop a revised Early Childhood Strategy 16/17 – 18/19.
- Develop future volunteering opportunities in the City of Wanneroo.
- Deliver final year of the 2012 – 2015 Disability Access and Inclusion Plan.
- Develop the Access and Inclusion Plan 2016 – 2019 by June 2016, and implement the Plan.
- Develop a consistent approach to using Placemaking strategies.
- Open the Kingsway Baseball Club Rooms.
- Deliver 15/16 Public Health Plan Commitments for priority areas 2 and 3.
- Implement the State Government funded 'Your Move' project.
- Develop Youth Strategy based on outcomes of Y speak engagement.
- Participate in the national dementia friendly community project.
- Undertake research programme in partnership with ECU to gain understanding of seniors' engagement.
- Develop Age Friendly Strategy.
- Develop concepts for the future management of the City's golf courses

### 2.3 Safe communities

#### Our major achievements in 2014/15

##### Food Hygiene Programme

The City has launched the Scores on Doors food hygiene programme. As part of the programme, participating food businesses will display distinctive blue and yellow posters that rate their compliance with food safety standards. The community can now see how well local cafes and restaurants are complying with food hygiene and safety requirements.

##### Community Safety

The City partnered with the Constable Care Child Safety Foundation to support the delivery of safety, crime prevention and citizenship theatre-in-education programmes within the City's schools and early learning centres. In all, 10,836 children took part in 125 performances and associated "Questions and Answers" reinforcement sessions.

The City identified 'violence and harm prevention' education as the priority area for performance delivery in the Constable Care partnership.

#### Looking Ahead – 2015/16 CBP Operational Actions

- Implement phase 1 of the Beach Safety Project.
- Roll out a mobile solution of the City's voluntary food premises Hygiene Classification System ('Scores on Doors').



## SCP MEASURES

The table below shows the progress of each measure within the Pillar: Society.

SCP MEASURE	PREVIOUS YEAR RESULT	2014/15 RESULT
<b>2. Society</b>		
<b>2.1 Great places and quality lifestyle</b>		
Number of people who participate in cultural activities and utilise available sport and recreational facilities (maintain/increase proportion)	28,400 attended the City's cultural activities in 2013/2014	513,182 visitors to the City's libraries 7,682 participants in the school heritage education programme (Museum, Buckingham House and Cockman House) 8,164 people attended exhibitions (including the Wanneroo Art Awards) at the Wanneroo Library and Cultural Centre 12,276 visits to the Wanneroo Regional Museum
Satisfaction with streetscapes, parks, sport facilities (maintain/improve on 3 year average)	Streetscapes, parks and sporting grounds: 78% satisfaction Sport and recreation facilities: 82% satisfaction	Streetscapes, parks and sporting grounds: 83% satisfaction Sport and recreation facilities: 81% satisfaction
<b>2.2 Healthy and active people</b>		
People are satisfied with the programmes, facilities and services provided in their community (maintain/improve on 3 year average)	Festival, events and cultural activities: 74% satisfaction Services and facilities for youth: 61% satisfaction Facilities, services and care available for seniors: 71% satisfaction Access to services and facilities for people with disabilities: 64% satisfaction	Festival, events and cultural activities: 82% satisfaction Services and facilities for youth: 69% satisfaction Facilities, services and care available for seniors: 75% satisfaction Access to services and facilities for people with disabilities: 67% satisfaction
Estimated number of residents who meet the current Australian recommended guidelines for physical activity (maintain/increase proportion)	The Department of Health WA's Health and Wellbeing Surveillance System (2012) showed 49.6% of residents met recommended guidelines	The Department of Health WA's Health and Wellbeing Surveillance System (2005 – 2014) showed 61% of residents (18+) met recommended guidelines of 150 minutes or more of physical activity per week. <i>(please note changes in recommended guidelines for physical activity mean that this data cannot sufficiently be compared to the previous data.)</i>
<b>2.3 Safe communities</b>		
People feel safe (satisfaction with safety and security) (maintain/improve on 3 year average)	61% satisfaction	71% satisfaction
Number of personal and household crime incidents (no increase in per capita/household rates)	6,862 (not including drug offences or Assaults)	8,425 (not including drug offences or Assaults). <i>The increase in crime within the City is due to the population increase in the northern corridor, particularly the suburbs of Clarkson and Yanchep.</i>



## SERVICE KEY PERFORMANCE INDICATOR

SERVICE	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE	PREVIOUS YEAR RESULT	TARGET 2014/15	ACTUAL 2014/15	COMMENT
Statutory Compliance	Statutory Inspection requirements	% of swimming pools and spas inspected for barrier compliance under legislated requirements	60.5%	100%	99.99%	Below target, Improved from previous financial year.
Environmental Health	Statutory Inspection requirements	% of inspections conducted within statutory timeframes	100%	100%	100%	On target
Building Applications	Building Permit Processing (certified and uncertified)	% of building permit applications (certified and uncertified) processed within regulatory timeframes	84%	100%	100%	On target, Improved from previous financial year.
Planning Applications	Development Application Processing	Average timeframe for determination of Development Applications	20.05 days	60 days without advertising 90 days with advertising	15.21 days	On target, Improved from previous financial year.
Occupancy Permit	Occupancy Permit Processing	% of occupancy permits processed within regulatory timeframes	100%	100%	100%	On target



City staff and ranger patrol vehicle

## CBP OPERATIONAL ACTIONS

The table below shows the progress of each action within the Pillar: Society. Refer to page 81 (Results criteria) for the Strategic Risk and Project status colour codes. A "corrective action" is linked to all actions that were "on hold" or "under target" by 30 June 2015.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
<b>2.1 Great places and quality lifestyle</b>						
2.1 aa	Conduct a feasibility/ master planning study for Koondoola Precinct.	Jun-15	Productive Communities Declining Town Centres	Under Target	Administration is in the process of preparing a project brief to guide the future planning of the Koondoola Precinct.	Action removed, no longer applicable.
2.1 ab	Implement Action Plan from Community Development Plan review.	Jun-15	Declining Town Centres	Deleted	This action was reviewed and a decision was made to remove it.	The need for this action was reviewed and considered more appropriate to form part of the SCP review that will take place during the 2015/16 financial year.
2.1 ac	Mindarie Marina asset renewal plan.	Jun-17	n/a.	On Target	Condition monitoring continuing. Long term renewal subject to legal advice. Awaiting further legal advice on ownership	n/a.
2.1 b	Prepare a draft Local Planning Strategy.	Jun-15	n/a.	On Hold	Pending State Government finalisation of Local Planning Scheme regulations.	End date deferred to 2015/16 financial year. New actions added to outer years.
2.1 c	Prepare a draft Local Planning Scheme No. 3.	15/16	n/a.	On Hold	Pending State Government finalisation of Local Planning Scheme regulations.	End date deferred to 2015/16 financial year as position of project is subject to State legislation changes.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
2.1 d	Finalise the Yanchep Two Rocks, Alkimos Eglinton Developer Contributions Plans.	Jun-15	Integrated Infrastructure & Utility Planning Inherited Parks and Streetscape Assets	Completed	Council endorsed Developer Contributions Plans (DCP) details on 28 April 2015 at the Council meeting.	n/a.
2.1 g	Progress the implementation of the Local Housing Strategy.	Jun-15	Integrated Infrastructure & Utility Planning Fossil Fuel Availability	Under Target	WAPC Approval to advertise Amendment 119 received. Public comment period has been finalised with overwhelming community support for the Amendment.	End date deferred to 2015/16 financial year. A Scheme Amendment report will be presented to 15 September Council Meeting. If Council endorse the Scheme Amendment, it will be forwarded to the WAPC for approval by the Minister for Planning.
2.1 h	Prepare Wanneroo Town Centre action plan.	Jun-15	Productive Communities	Under Target	A first draft has been prepared and will shortly be presented to the Wanneroo Town Centre Advisory Committee for their information and discussion.	Following this, the draft will be presented to the Council Forum and then Council Meeting.
2.1 i	Review and develop Reconciliation Action Plan (RAP) 2015 – 2017.	Dec-14	n/a.	Completed	RAP 2015 – 2017 is available on the City's website.	n/a.
2.1 n	Review and finalise the Yanchep Two Rocks, Alkimos Eglinton Community Facilities Plans.	Jun-15	Declining Town Centres	Completed	n/a.	n/a.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
2.1 pi	Develop Preventive Maintenance Programmes for Infrastructure and Coastal Assets.	Jun-15	n/a.	Under Target	A number of programmes for preventative maintenance of Infrastructure & Coastal Assets are now in place including: Beach Sign Inspections; Bulk Sweeping Programme; Dewars Track Inspections; Drainage Jetting Gross Pollutant Trap cleaning; Public Access Way Maintenance and Sump inspections. A programme of inspections for all roads (incorporating road surface/ general signage/ path condition) is developed and will be implemented during 2015/16.	The requirement for additional resources to undertake the road inspections is being assessed and a limited programme of inspection will be implemented during 2015/16.
2.1 pii	Develop Preventive Maintenance Programmes for Parks and Conservation/ Reserves Assets.	Jun-15	Inherited Parks and Streetscape Assets	Completed	Maintenance programmes developed and implemented for use by the Parks and Reserves Maintenance Team.	n/a.
2.1 s	Conduct an audit and valuation of public art.	Jun-15	n/a.	Completed	Completed in October 2014.	n/a.
2.1 x	Audit of City's municipal heritage inventory.	15/16	n/a.	On Hold	Consultants have been engaged to review the Inventory.	A draft report will be presented to Administration for review by the end of October 2015.



CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
2.1 y	Implement Wanneroo Town Centre Action Plan.	Jun-17	Declining Town Centres	On Hold	A first draft has been prepared and will shortly be presented to the Wanneroo Town Centre Advisory Committee for their information and discussion.	Start and end dates deferred. Project did not start in 2014/15, and has been deferred to start in 2016/17 and continue to 2017/18, following completion of the action plan in 2015/16. Refer to project 2.1 h.
2.1 z	Implement the Reconciliation Action Plan 2015 – 2017.	Jun-18	Productive Communities	On Target	CBP action has been reworded to illustrate the phasing of delivery	n/a.
<b>2.2 Healthy and active people</b>						
2.2 i	Implement Public Health Plan.	Jun-17	Productive Communities	On Target	Action is reworded for the 2015/16 financial year and no changes to the dates.	n/a.
2.2 j	Produce Live Work Play Wanneroo Book Publication.	Jun-15	n/a.	Under Target	Content Complete. Design 95% complete.	Currently being printed.
2.2 k	Develop action plan to increase awareness of City parks, trails and public open spaces as a means to improving health and wellbeing.	Jun-15	n/a.	Completed	Working group has been formed and has met. Project outcomes and actions will now be taken over and addressed by the Your Move programme.	Action replaced by initiatives to be delivered under the "Your Move" Project.
2.2 m	Investigate the need for a harm minimisation strategy for the community relating to drugs & alcohol.	Jun-15	n/a.	On Hold	Final Report presentation to ELM was put on hold, in process of recruiting a new team member.	This action is deferred to December 2015 and will form part as business as usual in the 2015/16 financial year.
2.2 n	Develop a healthy food and beverage Policy for City programmes and events.	Jun-15	n/a.	Completed	Policy endorsed by ELM.	n/a.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
2.2 o	Implement outcomes from HACC review.	Jun-16	n/a.	On Target	Age friendly strategy to be developed.	n/a.
2.2 p	Activation of Alkimos Youth services.	Jun-15	n/a.	On Hold	n/a.	Meetings to be held with Creating Communities in August 2015.
2.2 q	Advocate for acquisition of Regional Open Space.	Jun-15	n/a.	On Hold	Ongoing conversations with key stakeholders.	Work to be addressed through initiatives under implementation of the Advocacy Statement, which is a City-wide project. Action removed in the 2015/16 financial year.
2.2 r	Implement the Disability Access and Inclusion Plan.	Jun-18	Productive Communities	On Target	Wording of action changed to align to timeframes of the plan and completion date brought forward to June 2015/16.	n/a.
2.2 s	Implement the State Government funded 'Your Move' project.	Jun-16	Fossil Fuel Availability	On Target	Project is 50% completed with household target fulfilled in its entirety.	n/a.
<b>2.3 Safe communities</b>						
2.3 d	Review the Building Approvals Service to ensure future market competitiveness.	Jun-15	n/a.	Completed	New Certification unit established to provide a competitive service.	n/a.
2.3 e	Develop a food premises Hygiene Classification System to promote community awareness of hygienic restaurants (Scores on Doors).	Jun-15	n/a.	Completed	CBP action to develop completed in 2014/15; a new action to roll out added for 2015/16.	n/a.

# PILLAR: ECONOMY

Aspiration: Progressive, connected communities that enable economic growth and employment



*Pinjar Road realignment*

## INTERESTING FACTS

The City has continued to produce and distribute its quarterly Business and Tourism e-Newsletter. Our subscriber base has grown from 400 people to over 1,200 people, showing it is becoming a popular avenue for local businesses and stakeholders to keep up to date with what is happening in the City for business.

INTERESTING FACTS	2013/14	2014/15	CHANGE	INCREASE/DECREASE
Number of visits at the 4 libraries (people counter)	464,951	513,182	48,231	Increase
Number of new library members	7,575	7,066	-509	Decrease
Number of library e-books issued/renewed	6,606	22,390	15,784	Increase
Capital Expenditure toward Traffic Safety/Traffic Management Projects.	\$2,006,000	\$2,023,000	\$17,000	Increase

## ACHIEVEMENTS, CHALLENGES AND FUTURE PROJECTS

The table below includes the Major Achievements and Challenges for the 2014/15 financial year as well as Strategic Projects for the new financial year 2015/16.

### 3.1 Local jobs

#### Our major achievements in 2014/15

##### **Economic Development Strategy**

The City has completed the Economic Development Background Paper and consultation has been undertaken to inform the Economic Development Strategy, which is in the final draft stage. The draft Strategy has been designed to directly align with and implement the Economy Pillar of the Strategic Community Plan.

##### **Regional Economic Development Framework**

The City has been working collaboratively with the City of Joondalup to develop a draft Regional Economic Development Framework. The Framework identifies eight regional economic priority areas, which both local governments will jointly focus achieving regional outcomes. The Framework is in a draft stage and will be finalised once the City's Economic Development Strategy is complete to ensure both documents align and complement each other.

##### **Business Events, Workshops and Training**

The City has partnered and supported the Wanneroo Business Association, Small Business Centre North West Metro, West Coast Institute of Training, Edith Cowan University, Sixty27 and Business Foundations. During 2014/15 the following has occurred:

- 28 local business events and networking opportunities were held, including the Annual Wanneroo Business Awards, which has a record number of entries this year; the Kingsway Business Expo and North Coast Business Expo;
- 47 targeted local business workshops and training sessions were held at venues throughout the City.

##### **Yanchep Business and Community Resource Lounge**

In February 2015, the City launched the Yanchep Business and Community Resource Lounge at the Yanchep Community Centre. The Resource Lounge has been successfully running for four months providing new and existing businesses the opportunity to meet with a local business advisor, attend local workshop and training sessions and regularly meet with other local businesses in the area as a support network.

#### Our challenges in 2014/15

##### **Productive Communities**

Facilitating the development of self supporting, productive communities.

## Looking Ahead – 2015/16 CBP Operational Actions

- Prepare a Regional Economic Development Framework in partnership with City of Joondalup.
- Deliver the 15/16 priorities for implementing the Tourism Strategy.
- Finalise the City of Wanneroo Economic Development Strategy.
- Contaminated sites investigation of Wangara Zones 2 and 3.
- Dispose of subdivided lots in Wangara Zone 1.
- Lease Wangara Zone 4 (Materials Recycling Facility area).
- Acquire offsite land holdings offset for Neerabup Industrial Area.
- Finalise the City's approach for developing Neerabup.
- Excise Neerabup Industrial Area on-site conservation area.
- Transfer Mary Street offset for the Neerabup Industrial Area.

## 3.2 Growing business

### Our major achievements in 2014/15

#### **Wangara Industrial Area – Former Landfill Site**

An Environmental Auditor has been appointed to prepare a Voluntary Audit Report, for re-classification and remediation of the site for potential future industrial development. Tenders closed in June for the appointment of an Environmental Consultant and are currently under evaluation.

#### **Land Sales/Negotiations**

- Five-year commercial lease entered into with Hennaberry's for Hair at Tenancy North. The new hairdressing salon opened on 2 May 2015 resulting in revenue of \$29,000 per annum.
- Five-year commercial lease approved by Council on 28 April for Tenancy 4 at the Clarkson Library. The new café "A Brewed Awakening" is due to start trading in early October and will result in \$30,000 per annum.
- A Willespie Park contribution of \$20,000 deed was signed for a swale in Pearsall in May.
- Casserley Park Crown land sale settled at the end of May resulting in \$1.4 million less acquisition costs.
- Council approved the sale of Lot 9001 Mullingar Way, Gngangara in July for \$150,000 incl. GST. The Offer and Acceptance are due to be signed in August.
- Private treaty negotiations are under way for the potential sale of Lot 502 Innes Place, Girrawheen (Blackmore Pre-Primary) and in May 2015 Council approved the sale of Lot 501 Hampton Road, Darch.
- An agreement with the Public Transport Authority was entered into for sale of Crown land, Hidden Valley Road, Clarkson.

#### **Neerabup Industrial Area**

- The City's consultant has finalised the Draft Order of Magnitude Business Case for the proposed development of the City's freehold landholdings within the Neerabup Industrial Area. A report will be presented to Forum in July.

#### **Tourism Promotion and Marketing**

The City has developed and produced the following tourism marketing products which have been distributed to all major visitor centres throughout the Perth metropolitan area, encouraging local, intrastate and interstate travellers to visit the City of Wanneroo:

- Sunset Coast Holiday Planner
- Visitor Guide & Business Directory
- Discover Wanneroo Maps
- Lets Go Kids

#### **Wanneroo Business Association Sponsorship**

In March 2015, Council approved a three-year sponsorship agreement for the City to be the 'Official Sponsor' of the Wanneroo Business Association. This was a major milestone decision which enhances the City's relationship as a strategic partner of the WBA.

#### **Tourism Awards Submission**

The City entered into the Western Australian Tourism Awards, Local Government Category in October 2014. The City was a top five finalist in the category, which is a fantastic achievement. This success is due to the development and continual implementation of the City's Tourism Strategy and Action Plan.

### **Small Business Advisory Services**

In 2014, the Small Business Development Corporation revised its funding programme for business advisory services in Western Australia. This resulted in a new tendering process for business advisory services. In May 2015, the Small Business Development Corporation awarded Business Station a successful contract to run a 3-year free business advisory programme within the north of Perth Metro, including all City of Wanneroo businesses. The City's Economic Development team is working with Business Station to ensure these services are promoted to our new and existing local businesses.

### **Mayor's Visionary Business Person Award**

In November 2014, as part of the Wanneroo Business Awards, the City of Wanneroo Mayor sponsored the Mayor's Visionary Award category to acknowledge an outstanding business person in the City of Wanneroo. This was awarded to Rod Greene of Greene's Tyre Plus Wanneroo.

## **Our challenges in 2014/15**

### **Economic Growth**

Adequacy of economic growth.

## **Looking Ahead – 2015/16 CBP Operational Actions**

- Prepare Wanneroo Town Centre Action Plan.
- City of Wanneroo to sponsor the Wanneroo Business Association.

## **3.3 Easy to get around**

## **Our major achievements in 2014/15**

### **Roads**

11 roads, 11 traffic treatments and 4 street lighting projects were completed during 2014/15. The completion of these projects improved the City's road network and safety of all road users.

The second stage of realignment works at Brazier Road, next to Yanchep Lagoon were completed a month ahead of schedule.

Road works commenced around the Civic Centre as part of the Civic Centre extension project.

Modification works commenced on the Dundobar Road/Servite Terrace/Rocca Way roundabout.

Road and Drainage upgrading works completed at Graham Road.

Wangara industrial drainage upgrade–Dellamarta catchment completed.

### **Improving Tourism Signage & Road Safety**

Based on feedback, data and statistics, the City has worked closely with Mindarie Marina, Barbagallo Raceway and Main Roads to improve the safety and directional signage to these major tourism facilities within the City of Wanneroo. Of particular significance is the road resurfacing and new line marking on Yanchep Beach Road in time for the annual V8 Supercar event at Barbagallo raceway, which sees 50,000 visitors attend the raceway over a 3-day period.

### **City of Wanneroo Entry Statements**

The City has been progressing Stage 1 (design) of City of Wanneroo Entry Statements. To date the draft designs have been through a rigorous internal and external evaluation process; This will be presented to Council seeking approval in September 2015 before progressing to stage 2 – implementation.

## **Our challenges in 2014/15**

### **Fossil Fuel Availability**

Increasing cost of fuel impacts growth and existing communities

## **Looking Ahead – 2015/16 CBP Operational Actions**

Prepare a draft Strategic Transport Plan



### 3.4 Smart communities

#### Our major achievements in 2014/15

##### **Customer Relations Centre**

The City's Customer Relations Centre won Best Project at the National Government Contact Centre Excellence Awards recently and was a finalist for the Auscontact Association national awards.

##### **New Broadband Network (NBN) Rollout**

The City has been advocating to the Federal Government and NBN Co Ltd. about the importance of NBN rollout in the City of Wanneroo, particularly to our key business areas such as Wangara Industrial Area. This aims to ensure local businesses are able to be competitive on a global level.

##### **Business Cyber Check Programme**

The City partnered with Edith Cowan University to deliver a series of Business Cyber Check programmes to local businesses to ensure their businesses are protected from cybercrime.

##### **Online Library Resources**

The City of Wanneroo libraries have undergone a transformation to provide local businesses and residents with access to online resources including e-books, e-magazines, e-journals, and online training tools.

#### Looking Ahead – 2015/16 CBP Operational Actions

Implement library self-service units at Wanneroo and Yanchep kiosks.

Implement Radio Frequency Identification Technology at each of the City's libraries.



## SCP MEASURES

The table below shows the progress of each measure within the Pillar: Economy.

SCP MEASURE	PREVIOUS YEAR RESULT	2014/15 RESULT
<b>3. Economy</b>		
<b>3.1 Local jobs</b>		
Estimated number of employed residents (increase)	At June 2013, the estimated number of residents employed was 71,331 – an increase from June 2012 with 68,221 employed. This was an increase of 4.56 per cent. <i>(Source: Small Area Labour Markets)</i>	At June 2015, the estimated number of residents employed was 102,692 – an increase from June 2014 with 98,969 employed. This was an increase of 3.76 per cent. <i>(Source: Small Area Labour Markets)</i>
Estimated number of local jobs (increase)	At June 2013, there was an estimated 46,598 local jobs within the City (+1,803 over 2011/2012) <i>(Source: National Institute of Economic and Industry Research (presented in City of Wanneroo Economy ID))</i>	At June 2014, there was an estimated 48,852 local jobs within the City (+1,424 since June 2013) <i>(Source: National Institute of Economic and Industry Research (presented in City of Wanneroo Economy ID))</i>
<b>3.2 Growing business</b>		
Number of businesses in the City (increase)	At June 2013, there were 10,962 businesses in the City <i>(Source: Australian Bureau of Statistics Counts of Australian Businesses (Cat 8165.0))</i>	At June 2014, there were 11,336 businesses in the City <i>(Source: Australian Bureau of Statistics Counts of Australian Businesses (Cat 8165.0))</i>
Productivity (Gross Regional Product estimate) (increase)	The GRP for 2012/13 was \$5,626 million – up by 9.8% on 2011/2012 <i>(Source: National Institute of Economic and Industry Research (presented in City of Wanneroo Economy ID))</i>	The GRP for 2013/14 was \$6,454 million – up by 7.6% on 2012/2013 <i>(Source: National Institute of Economic and Industry Research (presented in City of Wanneroo Economy ID))</i>
<b>3.3 Easy to get around</b>		
Community satisfaction with access to public transport (maintain/improve on 3 year average)	69% satisfaction	73% satisfaction
Community satisfaction with roads, footpaths & cycle ways (maintain/improve on 3 year average)	Road maintenance: 76% satisfaction Footpaths and cycle ways: 74% satisfaction	Road maintenance: 78% satisfaction Footpaths and cycle ways: 79% satisfaction
<b>3.4 Smart communities</b>		
Community satisfaction with education and training opportunities (maintain/improve on 3 year average)	70% satisfaction	70% satisfaction
Community satisfaction with the City's library and information services (maintain/improve on 3 year average)	86% satisfaction	90% satisfaction



## SERVICE KEY PERFORMANCE INDICATOR

SERVICE	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE	PREVIOUS YEAR RESULT	TARGET 2014/15	ACTUAL 2014/15	COMMENT
Infrastructure	Pathways	km of pathways constructed	1,086	No target set for 2014/15 financial year.	1,150	Increase from previous financial year.
Infrastructure	Roads	km of roads constructed	1,519	No target set for 2014/15 financial year.	1,580	Increase from previous financial year.

## CBP OPERATIONAL ACTIONS

The table below shows the progress of each action within the Pillar: Economy. Refer to page 81 (Results criteria) for the Strategic Risk and Project status colour codes. A “corrective action” is linked to all actions that were “on hold” or “under target” by 30 June 2015.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
<b>3.1 Local jobs</b>						
3.1 a	Prepare a regional Economic Development Plan in partnership with the Department of Planning and City of Joondalup.	Dec-14		On Hold	Draft Framework complete however project is currently on hold while the City finalises its Economic Development Strategy to ensure both documents align.	Amended end date deferred to 2015/16, reference to Department of Planning removed.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
3.1 d	Implement the Tourism Strategy and Supporting Actions 2011 to 2017.	17/18	Economic Growth	On Target	Implementation of the Actions is on target. Entry Statement designs still in progress; Sign policy review significant tourism marketing and promotional materials have been developed and distributed to Visitor Centres within the Perth metropolitan area. Significant improvement in directional signage to Mindarie Marina and Barbagallo raceway have been installed. The City also entered the WA Tourism Awards and achieved a top 5 placing in the local government award category.	This action comes out as a specific action in the 2015/16 financial year and is now changed to reflect its status as a Council Plan, and specific projects against the financial years to implement the strategy have been identified. The first action is to "Deliver the 2015/16 priorities for implementing the Tourism Strategy".
3.1 e	Implement the City of Wanneroo economic development strategy.	17/18	Productive Communities	On Hold	A draft Strategy has been prepared, however, this draft is being reviewed internally to ensure consistency and alignment with the vision for Economic Development in the Strategic Community Plan.	Start date has been deferred to 2015/16 together with the revised description of 3.2 a.
3.1 f	Implement the regional economic development framework.	17/18	Productive Communities	On Hold	The implementation did not start in 2014/15. The Draft Framework has been prepared	Start date has been deferred to 2015/16. Scope of planning work will commence in 2015/16 and the implementation has been deferred to commence in 2016/17.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
<b>3.2 Growing business</b>						
3.2 a	Review and finalise the City of Wanneroo Economic Development Strategy.	Dec-14	Economic Growth	On Hold	A draft strategy has been prepared, however this draft is being reviewed internally to ensure consistency and alignment with the vision for Economic Development in the Strategic Community Plan.	Amended end date deferred. Completion of action to be deferred to June 2015/16, and to be amended to include scope of planning work for 3.1 e to commence implementation of the strategy. Revised action is to 'Finalise and implement the City of Wanneroo Economic Development Strategy'.
<b>3.3 Easy to get around</b>						
3.3 a	Prepare a draft Strategic Transport Plan.	Jun-15	Integrated Infrastructure & Utility Planning Productive Communities Fossil Fuel Availability	On Hold	Consultant appointed to undertake transport modelling and make recommendations. The modelling has been delayed because of the publication of the latest WA Transport forecasts, date for completion extended to October 2015.	Start and end date deferred to 2015/16.
3.3 e	Prepare a draft Streetscapes Local Planning Policy.	Dec-14		Under Target	Administration has commenced preparation of a draft document, which will be used to guide future streetscape designs.	End date deferred to June 2015/16.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
3.3 i	Implement Verge Bond Strategy.	Jun-15		Under Target	Research and development of a well-documented system and process to support the implementation of the Verge Bond Strategy has taken longer than expected. Further delays have been experienced to align the proposed system with the Building Permit system.	A trial without charging fees planned for August 2015, processes being reviewed, possible implementation by September 2015. This action will move to business as usual in the 2015/16 financial year.
<b>3.4 Smart communities</b>						
3.4 a	Implement 9 library self-service units.	Jun-16		Completed	n/a.	n/a.
3.4 b	Expansion of the City's GIS as a platform for information delivery to the community.	Jun-17		On Target	n/a.	n/a.
3.4 f	Implement email service of rate notices.	Jun-15		On Hold	Waiting for system enhancements from Civica.	Action deferred to June 2016.
3.4 h	Implement online functionality to process Development Applications.	Dec-14		Completed	n/a.	n/a.
3.4 j	Develop an e-Business strategy.	Jun-15		Under Target	Draft developed following research of international e-business strategies.	Strategy to be completed by end of September 2015 aligned with the development of a Customer Service Quality Framework (4.3 o).
3.4 k	Implement a new City website with a focus on customer orientation.	Jun-15		Completed	Website was completed in October 2014.	n/a.



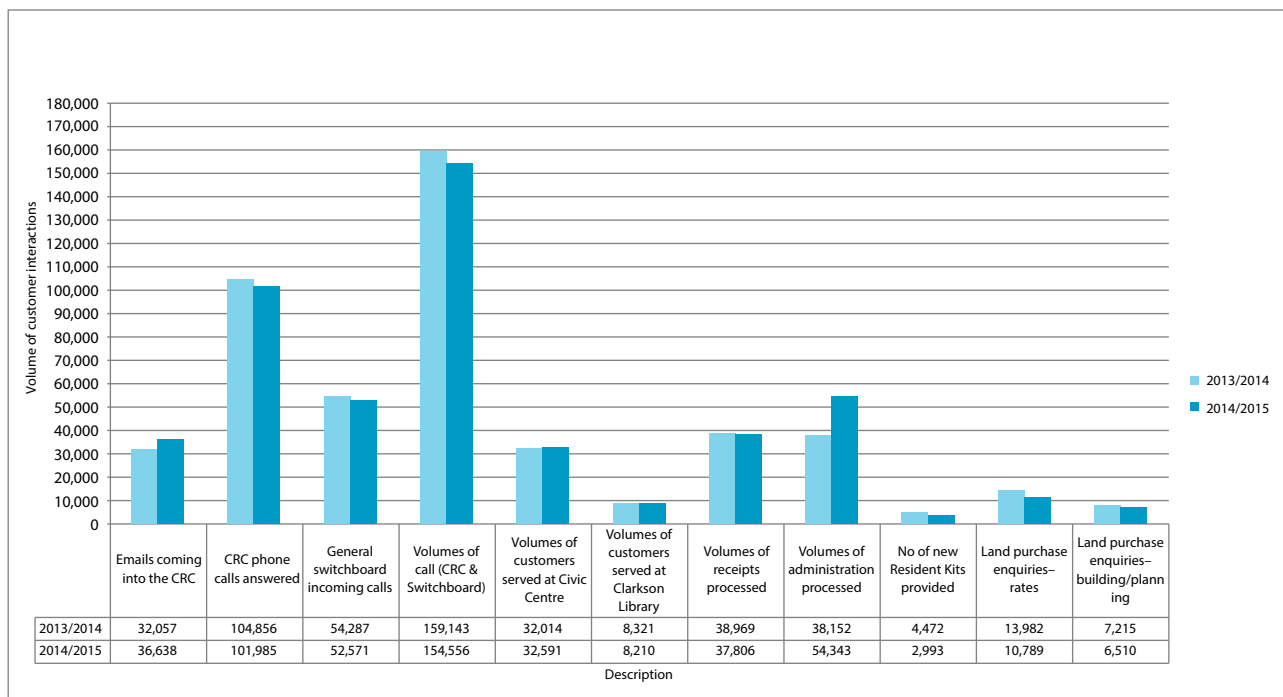
# PILLAR: CIVIC LEADERSHIP

Aspiration: Working with others to ensure the best use of our resources

## INTERESTING FACTS

Interesting facts	2013/14	2014/15	Change	Increase/decrease
Citizenship ceremonies	15	19	4	Increase
New Australian citizens declared	1,829	2,427	598	Increase
Conflict of Interest declared by Councillor/Officer (Financial/Proximity)	15	24	9	Increase
Conflict of Interest declared by Councillor/Officer (Impartial)	17	37	20	Increase
Council Ward Donations made by Councillors	\$76,547	\$67,330	-\$9,217	Decrease
Number of deputations to Council	34	38	4	Increase
Number of Freedom of Information received	30	20	10	Decrease
Number of Freedom of information decisions made	28	14	14	Decrease
Number of documents registered	42,960	40,220	2,740	Decrease
Number of IT Help Desk Calls responded to	6182	7702	1520	Increase
No of media statements produced on behalf of the organisation	130	174	44	Increase
No of publications produced on behalf of the organisation	56	55	-1	Decrease
Visits to City of Wanneroo's website	783082	830183	47,101	Increase
Number of Twitter followers	1042	1610	568	Increase
Number of Facebook likes	3253	5151	1,898	Increase

## Customer Relations Centre (CRC) Statistics of customer interactions 2014/15



Emails coming into the CRC, volumes of customers served at Civic Centre and volumes of administration processed **increased** compared to previous financial year.

CRC phone calls, general switchboard incoming calls, volumes of calls, receipts processed, new resident kits provided and Land purchase enquiries **decreased** compared to 2013/14 volumes of customer interactions.

## ACHIEVEMENTS, CHALLENGES AND FUTURE PROJECTS

The table below includes the Major Achievements and Challenges for the 2014/15 financial year as well as Strategic Projects for the new financial year 2015/16.





*Tri Cities Alliance with Hon. Julie Bishop MP in Canberra.*

## 4.1 Listening and leading

### Our major achievements in 2014/15

#### Advocacy

The Cities of Wanneroo, Joondalup and Stirling (Tri Cities) travelled to Canberra in November 2014 to profile our region and the opportunities that exist through potential Federal partnerships. In June 2015, the three Cities presented to the State Government Ministers.

#### Community Satisfaction (more detail on the satisfaction results are listed on page 66)

Results from the independent community satisfaction survey commissioned by the City were very pleasing. Overall, residents are satisfied with services provided by the City of Wanneroo. When compared to other local governments, the City's overall performance was above the industry average with 86% of residents satisfied with its performance and 90% happy to live in the City. As a governing organisation, 81% were satisfied with the City's performance including 48% who were delighted, rating the City an eight or higher out of ten.

#### Social Media Engagement

The City's social media presence and engagement continues to grow and improve with more residents connecting with the City online. Likes on the City's Facebook page have increased by 58% from 3,253 likes in 2013/14 to 5,145 likes in 2014/15.

#### Community Engagement

The new Community Engagement Framework was adopted by Council on 14 October 2014. A new online engagement tool to replace the previous 'Your Say' page was launched on 16 June 2015. The web page is currently undergoing amendments to improve some features that were not meeting the City's needs. It is anticipated that this work will be completed by the end of September 2015.

### Our challenges in 2014/15

#### Strategic Community Plan

Ensuring appropriate strategic goals are identified.

#### Looking Ahead – 2015/16 CBP Operational Actions

Conduct Councillor elections and induction.

Develop the 2015/16 – 2024/25 Strategic Community Plan.

## 4.2 Working with others

### Our major achievements in 2014/15

The Mayor has been a delegate for the WALGA North Zone for a number of years and was nominated for the prominent position of Vice President of WALGA this year. The CEO was appointed to the Infrastructure Coordinating Committee, WAPC.

The City has worked collaboratively with the Department of Water to prepare a North West Corridor Water Supply Strategy. The City has also undertaken extensive stakeholder consultation and engagement in the preparation and finalisation of the North West Corridor Developer Contributions Plans and the review of the City's Public Open Space Policy.

### Our challenges in 2014/15

#### Stakeholder Relationships

Strengthening the City's engagement with stakeholders.



## 4.3 A strong and progressive organisation

### Our major achievements in 2014/15

#### **Operating Model Review**

Stages 1 and 2 of the Administration's Operating Model Review have been completed. Key outcomes of this include improvements to systems, processes, and organisational capability. Changes to the organisational structure which have commenced will also enable better alignment to the City's strategic pillars, improved customer outcomes and enhanced abilities to deliver on the Corporate Business Plan.

#### **Employee Health and Wellbeing**

The Executive Management Team has endorsed a new workplace health and wellbeing programme for employees that will aim to improve the lifestyle of our staff and consequently improve their health and wellbeing.

#### **Australian Business Excellence Framework (ABEF) Training**

Fourteen of the City's employees attended the Australian Business Excellence Framework (ABEF) training during the 2014/15 financial year.

#### **Governance**

The Council's Annual Report 2013/14 including the Annual Audited Financial Statements for the period ending 30 June 2014 was completed and reported to the 11 November 2014 Council Meeting.

Council considered the outcome of the Ward Boundary Review on 3 March, which recommended that the four current wards be reduced to three wards with no reduction in Elected Member representation. The report was forwarded to the Local Government Advisory Board for consideration and the final ward structure will be implemented prior to the 2015 October elections.

#### **The eight-year Local Law review process is well under way.**

#### **Integrated Planning**

Council adopted the Corporate Business Plan 2015 – 19 on 9 June 2015.

#### **Finance**

The City received an unqualified auditor's report for the Financial Statements 2013/14.

The completion of the mid-year budget review took place and was endorsed by Council in March 2015.

Council adopted the 2015/16 Annual Budget in June 2015.

#### **Procurement**

The new Purchasing Policy and the related Management Procedures for the City have been developed, reviewed and implemented. The Policy and Procedures represent a significant improvement in the way the City conducts its business with contractors and suppliers in respect of the City's procurement practices. All contractors and suppliers have been made aware of the City's ethical position in respect of its business dealings in line with the City's Statement of Business Ethics.

A Purchasing Policy training programme has been developed and over 150 staff have completed the training, raising awareness across the City of the Purchasing Policy requirements, statutory procurement obligations and the processes available to City officers undertaking procurement activities.

### Our challenges in 2014/15

#### **Decision Making**

Quality of decisions resulting from the decision making process.

#### **Long Term Financial Planning**

Strengthening the City's long term financial planning.







Customer Relations Centre  
at City Council

#### Looking Ahead – 2015/16 CBP Operational Actions

- Review and revise the City's long term Asset Management Strategy and Summary Asset Management Plan by June 2017.
- Deliver the Fleet Management Capital Sub-Works Programme.
- Launch and implement the Service Quality Framework.
- Implement email service of rate notices.
- Implement the Fraud Control Framework.
- Implement the Organisational Governance Framework.
- Develop a Strategic Policy Framework.
- Conduct eight year Local Law review.
- Biennial review of the City's Code of Conduct.
- Develop and implement a centralised Contract Management Framework.
- Develop an approach and implement plans to attract and retain.
- Develop a classification system.
- Develop approach to achieve the strategic Workforce Plan.
- Facilitate the delivery of outcomes from the City's operating model review.
- Develop a Business Improvement Framework.
- Develop an Integrated Reporting Framework.

## SCP MEASURES

The table below shows the progress of each measure within the Pillar: Civic Leadership.

SCP MEASURE	PREVIOUS YEAR RESULT	2014/15 RESULT
<b>4. Civic Leadership</b>		
<b>4.1 Listening and leading</b>		
People are satisfied with how the community is consulted about local issues (maintain/improve on 3 year average)	56% satisfaction	60% satisfaction
People are satisfied with Council's leadership within the community (maintain/improve on 3 year average)	64% satisfaction	70% satisfaction
<b>4.2 Working with others</b>		
Residents are satisfied with what the City is doing to promote the area as a desirable place to live and work (maintain/improve on 3 year average)	67% satisfaction	68% satisfaction
Number of submissions on major State and National plans, policies, strategies and discussion papers involving local government issues relevant to the City of Wanneroo responded to	Process to be determined.	Process to be determined.
<b>4.3 A strong and progressive organisation</b>		
Residents are satisfied with the City of Wanneroo as a governing organisation – level of trust (maintain/improve on 3 year average)	82% satisfaction	81% satisfaction
Proportion of customer requests (CRM) responded to within target timeframes (maintain/improve on 3 year average)	In 2013/2014 28,601 CRM requests were received with 77% responded to within target timeframes In 2012/2013, the City received 30,075 CRM requests, responding to 74% within target timeframes In 2011/2012 the City responded to its 77% of its 21,005 CRM within target timeframes	In 2014/15 34,237 CRM requests were received with 83% responded to within target timeframes In 2013/2014 28,601 CRM requests were received with 77% responded to within target timeframes In 2012/2013, the City received 30,075 CRM requests, responding to 74% within target timeframes

## SERVICE KEY PERFORMANCE INDICATOR

SERVICE	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE	PREVIOUS YEAR RESULT	TARGET 2014/15	ACTUAL 2014/15	RESULT
Finance	Operating Surplus Ratio	Operating revenue minus operating expense/own source operating revenue	19%	=>15%	21%	Above target, Improvement from previous year.
Finance	Current Ratio	Current assets minus restricted assets/ current liabilities less liabilities associated with restricted assets	130%	=>100%	85%	Below target
Finance	Debt Service Cover Ratio	Annual operating surplus before interest and depreciation/principal and interest	1848%	=>5%	2174%	Above target, Improvement from previous year.
Finance	Own Source Revenue Coverage Ratio	Own source operating revenue/operating expense	117%	=>90%	114%	Above target
Finance	Capital Budget	% Budget spent	57%	100%	64%	Below target, Improvement from previous year.
Finance	Operational Budget	% Budget spent	99%	100%	95%	Below target
Finance	Rates Debtors	No more than 10% of total rates and charges levied (excluding deferred pensioners).	6.87%	=<10%	6.5%	Above target, Improvement from previous year.
Finance	The annual financial report presents fairly the financial position of the City and complies with Australian Accounting Standards	Unqualified Audit	Unqualified Audit	Unqualified Audit	Unqualified Audit	On target
Corporate Asset Management	Asset Sustainability Ratio	Capital renewal and replacement expenditure/depreciation expense	16%	=>90%	31%	Below target, Improvement from previous year.
Corporate Asset Management	Asset Consumption Ratio	Depreciated replacement cost of assets/current replacement cost of depreciable assets	82%	=>50%	84%	Above target, Improvement from previous year.

SERVICE	KEY PERFORMANCE INDICATOR	UNIT OF MEASURE	PREVIOUS YEAR RESULT	TARGET 2014/15	ACTUAL 2014/15	RESULT
Corporate Asset Management	Asset Renewal Funding Ratio	NPV of planned capital renewals over 10 years/ NPV of required capital expenditure over 10 years	76%	75% – 95%	33%	Below target
HR	Employee Turnover	% annual employees turnover	13.3%	10%	13.25%	Below target, Improvement from previous year.
OSH	Occupational Safety and Health System Accredited	The City is accredited for Occupational Safety and Health System in terms of the AS/NZS 4801:2001 standard	Silver status (73%)	Maintain/ Improve silver status	Audit due in 2016/17	n/a.
OSH	Lost Time Injuries	Workers Compensation registered through injury management.	22	50% Reduction of previous year	12	Above target, Improvement from previous year.
Corporate Compliance	Compliance Audit Return	No issues in compliance audit return	1	0	1	Below target
Internal Audit	Implement Internal Audit Plan	% Implemented	100%	100%	100%	On target
Customer Relations Centre	Customer Requests	% Customer requests responded to within target timeframes	77%	No target	83%	Improvement from previous year.
Strategic & Business Planning	SCP and CBP compliance	A Strategic Community Plan and Corporate Business Plan have been adopted, modified or updated by an absolute majority of Council	CBP adopted within legislative timeframes.	SCP and CBP adopted by an absolute majority of Council	CBP adopted within legislative timeframes. SCP review to start in October after elections.	On target

## CBP OPERATIONAL ACTIONS

The table below shows the progress of each action within the Pillar: Civic Leadership. Refer to page 81 (Results criteria) for the Strategic Risk and Project status colour codes. A "corrective action" is linked to all actions that were "on hold" or "under target" by 30 June 2015.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
4.1 Listening and leading						
4.1 a	Develop advocacy plan.	Aug-14	Stakeholder Relationships Productive Communities Integrated Infrastructure & Utility Planning Economic Growth Fossil Fuel Availability	Completed	n/a	n/a
4.1 d	Develop and implement City Community Engagement Strategies.	Dec-14	Stakeholder Relationships	Completed	n/a.	n/a.
4.1 e	Contribute to Mindarie Regional Council discussions on future land use options for Tamala Park landfill site.	15/16	n/a.	On Target	This action will move to Business as Usual for the 2015/16 financial year.	n/a.
4.1 f	Conduct community engagement on library services.	Jun-16	n/a.	Completed	n/a.	n/a.
4.2 Working with others						
4.2 b	Advocate for the development of a Regional Governance Framework.	Dec-14	n/a.	Completed	n/a.	n/a.
4.3 a	Implement an annual programme of Internal Audits to improve the frameworks, systems and processes for the City's operations.	Jun-18	Decision Making	On Target	On track with 2014/15 Internal Audit Plan. This action will move to Business as usual for the 2015/16 financial year.	n/a.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
4.3 A strong and progressive organisation						
4.3 ac	Implement the City's Safety Management Framework.	14/15	n/a.	Completed	The City Safety Management Framework is implemented. System was audited by LGIS and the City achieved 73% (silver) level accreditation. This action will move to Business as Usual for the 2015/16 financial year following development of work against AUS/ NZ standards.	The Audit Recommendation Action Plan will be completed by October 2015.
4.3 ad	Develop an Integrated Planning and Reporting Framework.	Jun-18	Decision Making Long Term Financial Planning Strategic Community Plan	On Target	Drafting of the Integrated Planning Policy and Management Procedure has commenced. Drafting of the reporting framework will commence in 2 <sup>nd</sup> quarter of 2015/16 financial year.	Planning component completed in 2014/15 year and Reporting element to carry over to the 2015/16 year.
4.3 ah	Implement a Risk Management Framework to effectively identify and manage risks.	Jun-15	Decision Making	Completed	Risk Management Framework has been implemented and strategic, corporate and operational risk action plans are being reported on.	n/a.
4.3 ak	Implement a Project Management Framework.	Jun-16	n/a.	On Target	An agile approach is being adopted to the implementation of the Project Management Framework.	n/a.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
4.3 aq	Facilitate Land, Building and Major Structure revaluations for Fair Value Legislation.	Jun-15	n/a.	Completed	Consultant Appointed – Work commenced 13 April 2015. Final report by external consultant has been received by the City.	n/a.
4.3 ar	Implement Asset Management Framework.	Jun-16	Decision Making Long Term Financial Planning	Completed	Awaiting completion of the remaining Asset Management Plans before presentation to Council as a whole package. Action changes to business as usual in 2015/16 financial year.	n/a.
4.3 at	Review of underutilised freehold parcels, unused sump sites and alternate use of Crown land.	Jun-15	n/a.	On Hold	Report will go to Council in September 2016. Action changes to business as usual in 2015/16 financial year.	Council Report due estimated October 2016.
4.3 au	Review of the City's Industrial Relations framework and renegotiation of existing agreements.	Jun-16	n/a.	Under Target	Salaried Officers Enterprise Agreement (EA) are no longer on target due to the "no" vote. Aiming for a resolution by end of September. Operational Staff Enterprise Agreement is delayed due to a scope order by the union outside of the City's control.	Ongoing negotiations continue between Bargaining Representatives and Management Committee in accordance with Fair Work Commission instructions.
4.3 av	Conduct CEO Biennial Review of risk, internal control and statutory compliance.	Dec-14	n/a.	Completed	n/a.	n/a.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
4.3 aw	Develop Organisational Governance Framework.	Jun-15	Decision Making	Under Target	Research and benchmarking substantially completed with substantive review and drafting to commence.	The draft Framework is in development with a target date for providing the draft for Executive Management Team Review by end of September 2015.
4.3 ax	Review the City's Tenancy Policy.	Jun-16	n/a.	Completed	Listed for Council Forum 7 July 2015.	n/a.
4.3 ay	Commercial review of City's commercial property portfolio.	Jun-15	n/a.	Deleted	n/a.	Removed – priority of action has changed.
4.3 d	Review City of Wanneroo Operating Model.	14/15	Decision Making	Completed	n/a.	n/a.
4.3 e	Develop a Fraud Control Framework.	Jun-15	n/a.	Under Target	Fraud and Misconduct risk assessments are currently being completed (95% completed) by Service Unit Managers and once completed the Fraud Control Plan will be drafted to document the fraud and misconduct mitigation strategies currently in place or to be implemented.	The draft Fraud Control Framework will be prepared by the end September 2015. The final Fraud Control Framework will be submitted to Council before the end of 2015 for adoption. Implementation of the framework scheduled for the 2015/16 financial year.
4.3 i	Develop a Council Corporate Governance Policy.	Jun-15	Decision Making	Under Target	Research and benchmarking substantially completed with substantive review and drafting to commence.	To be incorporated into action item 4.3 aw. End date deferred to 2015/16.



CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
4.3 k	Review, develop and implement key Human Resource Systems.	Jun-17	n/a.	On Target	Recruitment and Selection Policy updated and implemented. All People Management Policies reviewed and updated. Focus is now on reviewing the Flexible Work Practice Policies and Procedures through the EA negotiation process, as this remains a critical Log of Claims item.	n/a.
4.3 m	Develop and implement a system for the identification, delivery and ongoing monitoring of corporate mandatory training.	Jun-16	n/a.	On Target	Corporate compliance training is scheduled regularly throughout the year for current and new employees as it relates to improving awareness of governance requirements.	The City is undertaking a comprehensive analysis of its workforce capabilities and competence requirements throughout 2015/16 through the SWFP and Role Clarification project.
4.3 n	Develop and implement a system to train, induct and on-board all employees and Leaders into the principles of LOFT.	Jun-16	n/a.	On Target	All new leaders continue to be on-boarded on LOFT. A review of the City's leadership programme will also be undertaken during later 2015/16 to critically assess future needs and build further capability in frontline leadership.	n/a.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
4.3 o	Develop a Customer Service Quality Framework.	Jun-15	n/a.	Under Target	First round of consultation with Leaders has finished. Measures will be established over the next coming months with further consultation with leaders.	Following the Executive undertaking the Australian Business Excellence Framework (ABEF) training and the realignment of the CRC to Corporate Strategy & Performance, discussions will commence with the new Manager and Director to establish if the current direction of the Service Quality Framework is aligned to the organisation's vision. It is estimated that completion of the framework will be by December 2015.
4.3 q	Review the Contracts and Purchasing Framework.	Jun-15	n/a.	Under Target	This action consist of two parts: 1) Purchasing policy and management procedures implemented and purchasing policy training being undertaken for all staff. Review of Request for Quote documentation complete with standard terms of engagement template implemented. 2) Contracts Management Framework that was not implemented during the 2014/15 financial year.	The Contracts Management Framework is scheduled for implementation in the 2015/16 financial year as per the 2015 – 19 CBP and the software implementation is scheduled for the 2016/17 financial year.
4.3 r	Archive of V drive documents into Electronic Document and Record Management System (EDRMS).	Jun-16	n/a.	Completed	This project changes to business as usual in the 2015/16 financial year.	n/a.

CBP REF NO.	CBP ACTIONS	PROJECT DELIVERY	LINKED TO STRATEGIC RISK	4TH QUARTER (APRIL – JUNE 2015)		
				PROJECT STATUS	COMMENT	CORRECTIVE ACTIONS FOR THOSE PROJECTS UNDER TARGET
4.3 u	Conduct a ward boundary review.	Jun-16	n/a.	Completed	The ward boundary changes have been approved by the Minister. Gazettal will take place at end July 2015 and will be implemented in October 2015.	
4.3 v	Conduct eight-year Local Law review.	Jun-15	n/a.	Under Target	Four local laws currently out for public comment and another 4 are in the drafting stages. Stakeholder consultation on these under way. Envisage that these will be presented to members mid-July.	End date deferred to 2015/16 financial year.
4.3 x	Implement systems and processes to ensure compliance with Fair Value legislation.	Jun-15	n/a.	Completed	n/a.	n/a.
4.3 y	Research and design a Health and Wellness programme for the City's employees.	Jun-17	n/a.	On Target	Health and Wellness Corporate Calendar implemented early 2015. Project Mandate developed for ELM to obtain support to implement a more focused approach and Mental Health Workplace Strategy during 2015/16. An approach to supporting the City's mature aged workforce is also being developed 15/16.	n/a.



# ADDITIONAL STATUTORY INFORMATION

## LAND TRANSACTIONS (MAJOR, OTHER, EXEMPT)

### Major land transactions

In 2014/15 financial year the City was involved in two major land transactions:

1. January 2015 – Settlement for the sale of the City owned Lot 105 (196) Gnangara Road, Landsdale to Matzin Capital Pty Ltd for the amount of \$200,000 (GST free).
2. May 2015 – Proposed sale of the City owned Lot 501 (94) Hampton Road, Darch was to Red8 Property Group Pty Ltd for the amount of \$1,100,000 (inclusive of GST) was supported by Council.



### Other land transactions

DATE	DESCRIPTION
September 2014	Excision, purchase and sale of portion of Crown Reserve 34068, Casserley Park, Girrawheen: Council at its Ordinary Meeting on 16 September 2014 (CB03-09/14) authorised the excision and purchase of a 1.08 hectare portion (subject to survey) of Crown Reserve 34068, Casserley Park, 48 Casserley Avenue, Girrawheen for the purpose of sale to Emmanuel Christian Community School for school expansion. Settlement occurred on 29 May 2015.
September 2014	Commercial lease to Carol Marshall of portion of Lot 511 Ocean Keys Boulevard, Clarkson – lease did not proceed.
February & 31 March 2015	Commercial lease to Tracey Cottrell of portion of Lot 101 Rocca Way, Wanneroo.
April 2015	Lease to Lesley Williams of 34 Timely Hostess Mews, Mariginiup (applicant withdrew her interest to lease the property)
April 2015	Commercial lease to Raymond Parker and Lloyd Parker over portion of Lot 511, Clarkson Library, Ocean Keys Boulevard, Clarkson.

### Exempt land transactions

The following exempt land transactions (leases) were approved by Council in the 2014/15 financial year:

MONTH	LESSEE	LOCATION
July 2014	Telstra Corporation (sublease)	Portion of 440 Wattle Avenue (Crown Reserve 10866), Neerabup
July 2014	Deed of Variation of Licence to Minister for Education	Portion of Crown Reserve 32938, Oldham Park, Yanchep
August 2014	David Thompson	Portion of Lot 14438 (Crown Reserve 46863), 53K Clarecastle Retreat, Mindarie
September 2014	Tiger Kart Club	Portion of Lot 600 (570) Wattle Avenue, Neerabup
November 2014	Department of Environment Regulation	Portion of Lot 211 Quinns Road, Mindarie
December 2014	Wanneroo Horse & Pony Club	Lot 10842 Benmuni Road, Wanneroo
February 2014	Wanneroo Business Association	Portion of Lot 90 and 91 Wanneroo Road, Wanneroo.
March 2014	Wanneroo Sports & Social Club Inc	Lot 502 (22) Crisafulli Avenue, Wanneroo.
March 2014	Minister for Education	Portion of Crown Reserve 20091, Marangaroo Golf Course car park, Marangaroo.
April 2014	Quinns Mindarie Surf Life Saving Club (Inc)	Portion of Lot 211 Quinns Road, Mindarie.
June 2014	Activ Foundation Incorporated	Portion of Ashby operations Centre, 1204 Wanneroo Road, Wanneroo.
June 2014	Youth Futures WA (Inc)	Portion of Lot 13959 (59) Key Largo Drive, Clarkson



## COMPLIANCE WITH STATE RECORDS ACT

The *State Records Act 2000* requires the City to have an approved Recordkeeping Plan which details the way the City keeps its records. The Recordkeeping Plan has been approved for five years from 2012 to 2017.

Improvements to the City's records management include:

- Seeking offsite scanning of paper documents to turn them into electronic documents enabling better access, cheaper storage and releasing resources from the onerous task of scanning documents.
- Integrating the Archives and Information Management teams to share knowledge, improve resource availability and provide faster client service.
- Extending the electronic delivery of documents to improve business practices and safeguard documents.
- Further integration between the electronic document and records management system and corporate business systems.
- Development of a vital records register and vital records.
- A helpdesk service in recordkeeping, TRIM and archives is also provided to staff. Increased consultation with colleagues and integration in line with business systems has led to improvements with records compliance.

The number of records captured into the City's corporate recordkeeping system during 2014/15 was 40,220 (42,960 in 2013/14). This included incoming and outgoing letters, emails, faxes, online forms and internal documentation. The number of new files created during this period was 18,165.

## FREEDOM OF INFORMATION (FOI)

Access to documents may be granted to members of the community under the *Freedom of Information Act 1992*. An Information Statement is available along with application forms on the City's website. The statement is a guide on the Freedom of Information (FOI) process and also lists the types of documents available outside of FOI.

During 2014/15, the City received a total of 20 Freedom of Information applications, with an average of 26 days to complete each application. Decisions were made on 14 applications during 2014/15. 9 Applications were completed within the legislative timeframe of 45 days.

Although any document may be requested, it is recommended that only documents that cannot be provided outside the FOI process should be sought under the FOI Act as the process is onerous, slow and expensive for both the City and the applicant. Additionally documents released are frequently edited to remove exempt information. The most frequently removed information is third party personal information which is often the information sought. The City's FOI Officer can be contacted on 9405 5596 prior to submitting your application.

## NATIONAL COMPETITION POLICY

The National Competition Policy obligations were considered in respect of competitive neutrality and other competitive advantage issues in respect of the City's aquatic (Aquamation) operations. Notwithstanding that the National Competition Policy provides reasonable scope for the City



in implementing its social community services, access and equity objectives, it is mindful to balance these with the economic interests of its ratepayers. In pursuing these objectives (social/community services/access and equity) the City satisfied the following provisions under the Competition Policy Agreement:

- for the benefit of a particular policy or course of action to be balanced against the cost of the policy or course of action;
- for the merits or appropriateness of a particular policy or course of action to be determined;
- social welfare and equity considerations, including community service obligations;
- government legislation and policies relating to matters such as occupational health and safety, industrial relations and access and equity.

## COUNCIL POLICIES AND LOCAL LAWS

Section 2.7(2)(b) of the *Local Government Act 1995* states that the Council is responsible for determining its policies. There is no prescribed timeframe for local government to review policies.

To ensure the City continues to develop and provide good governance, all policies are reviewed to ensure that they:

- Meet the changing needs of the community;
- Are still consistent with best practice, the strategic direction of the City and changes in government policy and legislation;

- Continue to meet stakeholders' needs;
- Do not present barriers or blockages to efficiencies.

Substantial progress has been made to the review, with the following being completed during the 2014/2015 financial year:

- Fraud, Corruption, Bribery and Misconduct Policy
- Review of the Council Members' Fees, Allowances, Reimbursements & Benefits Policy
- Welcome to Country Protocols Policy
- Early Childhood Policy and Strategy
- Library Services Policy
- Review of Accounting Policy
- Review of Investment Policy
- Repeal and replacement of Purchasing Policy
- Collection of Rates and Service Charges Policy
- Rates Charges Policy
- Review of Local Planning Policy 4.2: Structure Planning
- Review of Local Planning Policy 4.3: Public Open Space
- Local Planning Policy 4.17: State Administrative Tribunal Policy
- Rescission of Local Planning Policy – 'Calabrese Triangle – Statement of Intent'
- Rescission of Local Planning Policy 'Residential Guidelines Mindarie'

Section 3.12 of the *Local Government Act 1995* prescribes the process the Council must follow to make local laws.

Section 3.16 of the *Local Government Act 1995* requires the local government to review its local laws within eight years from the date of commencement of the local law.

The City is in the process of updating all its local laws. Many were made in 1999, and were contemporary in their day, but require updating to the point where replacement in many instances is warranted.

The City has undertaken public consultation on the draft Penalty Units, Waste, Parking and Public Places and Local Government Property Local Laws and proposed to progress their adoption in the fourth quarter of 2015.

## DISABILITY ACCESS AND INCLUSION PLAN

Compliance with State legislation requires local government authorities to develop, implement and regularly review Disability Access and Inclusion Plans as a means of furthering the principles and objectives of the *Disability Services Act 1993* (amended 2004).

The City's existing 2012 – 2015 Disability Access and Inclusion Plan was adopted in January 2012. A comprehensive review of this plan has been undertaken as part of the development of the Access and Inclusion Plan 2016 – 2019. This plan is due to be lodged with the Disability Services Commission by December 2015.

Local government authorities are also required to annually report on the current plan's implementation. The annual progress report for the period 2014/2015 was completed and submitted to Disability Services Commission on 29 June 2015.

Initiatives undertaken during the 2014/15 financial year:

- The City of Wanneroo worked with the Fishers with Disabilities Association to create an online portal which identified recreational fishing locations in Western Australia with varying levels of accessibility.
- Aquamation delivered two programmes for participants with special needs and/or disabilities that run within their Swim School.
- A portable sling hoist that can be used for entry and removal of patrons in the pool is currently being sourced and expected to be purchased before the end of the financial year.
- New customer service area at the Civic Centre has been built to standard with wider internal doors for wheelchair access.
- New customer service counter at the Civic Centre has a dedicated desk at a suitable height for wheelchair or gopher bound customers.
- eResources have been expanded including eBooks, eMagazines and eNewspapers and with the new addition of eAudio titles in 2014/15.
- Continuing use and expansion of genre stickers and booklists to assist with selection of physical resources.

- eNewsletter now reaches approximately 9,000 homes allowing access for those physically unable to visit the library.
- Books in a Bag Book Club resource kits now include a large print copy and continue to include an eAudio version.
- Weeding of stock to make the library shelves less cluttered and more inviting across service.
- Removal of stock from the top shelves of library shelving and in the case of Girrawheen Library, new reduced-height shelving to improve accessibility.
- Addition of a wheelchair-height self-issue machine at Girrawheen Library.
- Building Compliance Audit has been carried out at Girrawheen Library, identifying a number of items to be actioned in 2015/16.
- New Front of House Model launched in May 2015 to enable staff to better assist visitors to the libraries in providing service where customers need it e.g. helping patrons to find items on the shelf.
- Increased loan limit from 15 to 50 to potentially reduce physical visits.
- New grace period of 7 days for overdue items so that books can be renewed online and at self-check.
- Magnifying sheets are now available to housebound Books on Wheels patrons.
- The City of Wanneroo facilitated an internal Disability Awareness week activity with the aim to break down barriers to promote an inclusive environment and equal opportunities for all.

The City's website has been designed in accordance with the World Wide Web Consortium (W3C) internationally recognised Web Accessibility Initiative (WAI) guidelines. It is intended that all pages on the City of Wanneroo's website will conform to at least a priority 2 "AA" rating.

## WANNEROO LIBRARY AND CULTURAL CENTRE GIFT FUND

The Wanneroo Library and Cultural Centre has not received any gifts or donations during the reporting period.

## DEDUCTIBLE GIFT REGISTER

There has been no activity to report.

## PUBLIC INTEREST DISCLOSURES ACT 2009

There were no Public Interest Disclosures reported to the City of Wanneroo during the reporting period.





# FINANCIAL REPORT



# GENERAL PURPOSE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30 JUNE 2015

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## Contents

<b>1. Understanding Council's Financial Statements</b>	<b>139</b>
<b>2. Statement by Chief Executive Officer</b>	<b>140</b>
<b>3. Primary Financial Statements:</b>	
- Statement of Comprehensive Income (by Nature or Type)	141
- Statement of Comprehensive Income (by Programme)	142
- Statement of Financial Position	144
- Statement of Changes in Equity	145
- Statement of Cash Flows	146
- Rate Setting Statement	147
<b>4. Notes to the Financial Statements</b>	<b>150</b>
<b>5. Independent Auditor's Report</b>	<b>236</b>

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## Overview

(i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for City of Wanneroo.

(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 26/11/15.

Council has the power to amend and reissue the financial statements.

## City of Wanneroo

### General Purpose Financial Statements

for the year ended 30 June 2015

## Understanding Council's Financial Statements

### Introduction

Each year, individual Local Governments across Western Australia are required to present a set of audited Financial Statements to their Council and Community in accordance with the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996*.

### About the Certification of Financial Statements

The Financial Statements must be certified by the Chief Executive Officer as (i) presenting fairly the Council's financial results for the year and complying with (ii) Australian Accounting Standards and the *Local Government Act 1995*.

### What you will find in the Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2015.

The format of the Financial Statements is standard across all Western Australian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and the requirements as set down in the Western Australian Local Government Accounting Manual.

The Financial Statements incorporate 6 "primary" financial statements:

#### 1. Statement of Comprehensive Income - (by Nature or Type)

A summary of Council's financial performance for the year, listing all income & expenses by their "nature or type". This allows users of the financial statements to identify a break up of operating revenues and expenses for the year.

#### 2. Statement of Comprehensive Income - (by Program)

A summary of Council's financial performance for the year, listing all income & expenses by "program". This allows users of the financial statements to identify the cost relating to each Council Program and whether or not these costs were recovered from Program revenues.

#### 3. Statement of Financial Position

A 30 June snapshot of Council's financial position listing its assets & liabilities.

#### 4. Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

#### 5. Statement of Cash Flows

Indicates where Council's cash came from and where it was spent across operating, investing & financing activities.

#### 6. Rate Setting Statement

A Statement showing the amount of rates budgeted to be raised during the year to fund the Council's proposed Programs (and any budget surplus/deficit from prior years).

### About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the 6 Primary Financial Statements.

### About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialise in Local Government).

In Western Australia, the Auditor provides an audit report that provides an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

### Who uses the Financial Statements?

The Financial Statements are publicly available documents and are used by (but not limited to) Councillors, Residents, Ratepayers, Employees, Suppliers, Contractors, Customers, the Department of Local Government, and Financiers including Banks and other Financial Institutions.

Under the *Local Government Act 1995* the Financial Statements must be made available at the office of the Council.

City of Wanneroo

**General Purpose Financial Statements**  
for the year ended 30 June 2015

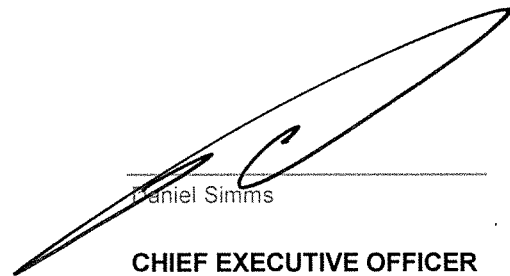
*Local Government Act 1995*

*Local Government (Financial Management) Regulations 1996*

Statement by Chief Executive Officer

The attached financial report of the City of Wanneroo being the annual financial report and supporting notes and other information for the financial year ended 30 June 2015 are in my opinion properly drawn up to present fairly the financial position of the City of Wanneroo at 30 June 2015 and the results of the operations for the financial year then ended in accordance with the *Australian Accounting Standards* and comply with the provisions of the *Local Government Act 1995* and the regulations under that Act.

Signed on the 26<sup>th</sup> day of November 2015



\_\_\_\_\_  
Daniel Simms  
**CHIEF EXECUTIVE OFFICER**

## City of Wanneroo

### Statement of Comprehensive Income (by Nature or Type) for the year ended 30 June 2015

\$	Notes	2015 Actual	2015 Budget	2014 Actual
<b>Revenue</b>				
Rates	24(a)	120,489,166	119,719,385	111,385,232
Operating Grants, Subsidies & Contributions	28	15,906,857	12,370,325	9,416,693
Fees & Charges	27	20,072,643	22,537,478	23,251,923
Interest Earnings	2(a)	8,497,623	8,520,000	8,814,713
Other Revenue		1,593,038	3,936,884	4,027,107
		<u>166,559,327</u>	<u>167,084,072</u>	<u>156,895,668</u>
<b>Expenses</b>				
Employee Costs	31	(67,960,887)	(72,032,208)	(64,204,146)
Materials & Contracts		(41,520,460)	(49,657,347)	(42,796,287)
Utilities		(7,467,001)	(8,116,720)	(7,441,514)
Depreciation of Non-Current Assets	2(a)	(37,294,753)	(32,050,000)	(30,094,147)
Interest Expenses	2(a)	(3,703,274)	(3,689,236)	(3,699,483)
Insurance		(1,369,947)	(1,517,528)	(1,423,915)
		<u>(159,316,322)</u>	<u>(167,063,039)</u>	<u>(149,659,492)</u>
<b>Operating Result from Continuing Operations</b>		<u>7,243,005</u>	<u>21,033</u>	<u>7,236,176</u>
Non-Operating Grants, Subsidies & Contributions	28	63,946,455	42,972,750	67,234,517
Town Planning Scheme Income (Inc Interest)		27,781,399	22,946,125	25,662,903
Town Planning Scheme Expenses		(2,521,538)	(15,902,000)	(3,748,041)
Fair Value Adjustments to financial assets at fair value through profit and loss	2(a)	-	-	(288,260)
Asset Impairment		-	-	112,426
Net Share of Interests in Controlled Entities, Associated Entities & Joint Ventures	17	316,648	-	746,701
Profit on Asset Disposals	21	7,095,956	2,900,000	4,780,007
Loss on Asset Disposal	21	(419,570)	-	(137,351)
		<u>96,199,350</u>	<u>52,916,875</u>	<u>94,362,902</u>
<b>Net Result</b>		<u>103,442,355</u>	<u>52,937,908</u>	<u>101,599,078</u>
<b>Other Comprehensive Income</b>				
Changes on Revaluation of Non-Current Assets	13	404,114,816	-	565,602,448
<b>Total Other Comprehensive Income</b>		<u>404,114,816</u>	<u>-</u>	<u>565,602,448</u>
<b>Total Comprehensive Income</b>		<u>507,557,171</u>	<u>52,937,908</u>	<u>667,201,526</u>

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

## City of Wanneroo

### Statement of Comprehensive Income (by Program) for the year ended 30 June 2015

\$	Notes	2015 Actual	2015 Budget	2014 Actual
<b>Revenue</b>				
Governance		285,850	280,814	288,112
General Purpose Funding		139,482,892	135,187,685	124,464,224
Law, Order, Public Safety		1,247,249	924,075	1,257,958
Health		409,455	452,660	457,468
Education & Welfare		4,541,510	4,487,322	4,232,175
Community Amenities		7,263,321	12,507,246	13,273,227
Recreation & Culture		8,458,674	8,231,509	8,498,926
Transport		1,635,362	1,070,538	1,203,210
Economic Services		3,307,410	3,364,006	2,866,440
Other Property & Services		28,025,651	578,217	26,475,278
		<u>194,657,374</u>	<u>167,084,072</u>	<u>183,017,018</u>
<b>Expenses (excl. Finance Costs)</b>				
Governance		(8,608,531)	(9,284,554)	(7,717,230)
General Purpose Funding		(924,183)	(912,021)	(1,241,773)
Law, Order, Public Safety		(6,058,280)	(5,921,531)	(4,872,320)
Health		(2,221,378)	(2,418,267)	(2,241,334)
Education & Welfare		(9,825,889)	(9,983,194)	(8,940,120)
Community Amenities		(35,556,111)	(43,264,157)	(36,928,430)
Recreation & Culture		(48,959,915)	(44,624,578)	(40,366,577)
Transport		(36,026,024)	(30,478,335)	(37,581,050)
Economic Services		(4,174,683)	(4,091,155)	(3,286,111)
Other Property & Services		(5,779,592)	(28,298,011)	(6,132,422)
		<u>(158,134,586)</u>	<u>(179,275,803)</u>	<u>(149,307,367)</u>
<b>Finance Costs</b>				
	2(a)			
General Purpose Funding		(1,204,057)	(1,432,897)	(1,464,740)
Recreation & Culture		(2,379,883)	(1,882,292)	(1,864,322)
Transport		(67,983)	(153,078)	(151,606)
Other Property & Services		(51,351)	(220,969)	(218,817)
		<u>(3,703,274)</u>	<u>(3,689,236)</u>	<u>(3,699,485)</u>
		<u>32,819,514</u>	<u>(15,880,967)</u>	<u>30,010,166</u>
<b>Non-Operating Grants, Subsidies, Contributions</b>				
Governance		-	1,207,230	-
Law, Order, Public Safety		70,010	-	-
Community Amenities		5,424	8,303,761	434,997
Recreation & Culture		10,652,405	19,632,604	6,362,208
Transport		48,542,354	11,464,211	57,769,881
Other Property & Services		4,676,262	25,311,069	2,667,431
	28	<u>63,946,455</u>	<u>65,918,875</u>	<u>67,234,517</u>

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

## City of Wanneroo

Statement of Comprehensive Income (by Program) (continued)  
for the year ended 30 June 2015

\$	Notes	2015 Actual	2015 Budget	2014 Actual
<b>Profit/(Loss) on Disposal of Assets</b>				
Governance		(11,419)	-	(5,020)
Education & Welfare		(5,875)	-	-
Community Amenities		189,849	-	(7,073)
Recreation & Culture		1,307,426	-	-
Economic Services		(132,322)	-	-
Other Property & Services		5,328,727	2,900,000	4,654,748
	21	<u>6,676,386</u>	<u>2,900,000</u>	<u>4,642,655</u>
<b>Other Income</b>				
Fair Value Adjustments to Financial Assets at Fair Value through Profit & Loss		-	-	(288,260)
	2(a)	<u>-</u>	<u>-</u>	<u>(288,260)</u>
<b>Net Result</b>		<u>103,442,355</u>	<u>52,937,908</u>	<u>101,599,078</u>
<b>Other Comprehensive Income</b>				
Changes on Revaluation of Non-Current Assets		404,114,816	-	565,602,448
<b>Total Comprehensive Income</b>	13	<u>507,557,171</u>	<u>52,937,908</u>	<u>667,201,526</u>

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

## City of Wanneroo

## Statement of Financial Position

as at 30 June 2015

\$	Notes	2015 Actual	2014 Actual
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	3	302,529,381	257,579,236
Trade and Other Receivables	5	20,811,922	21,430,381
Inventories	6	369,608	341,738
<b>Total Current Assets</b>		<b>323,710,911</b>	<b>279,351,355</b>
<b>Non-Current Assets</b>			
Investments	4	14,400,953	13,181,843
Trade and Other Receivables	5	2,095,569	1,908,038
Inventories	6	13,114,991	7,648,086
Property, Plant and Equipment	7	534,905,445	126,433,760
Infrastructure	8	1,476,458,032	1,424,093,901
<b>Total Non-Current Assets</b>		<b>2,040,974,990</b>	<b>1,573,265,628</b>
<b>TOTAL ASSETS</b>	19	<b>2,364,685,901</b>	<b>1,852,616,983</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	9	21,859,805	18,810,708
Provisions	11	13,417,355	11,873,536
<b>Total Current Liabilities</b>		<b>35,277,160</b>	<b>30,684,244</b>
<b>Non-Current Liabilities</b>			
Long Term Borrowings	10	60,778,188	60,778,188
Provisions	11	1,330,577	1,411,746
<b>Total Non-Current Liabilities</b>		<b>62,108,765</b>	<b>62,189,934</b>
<b>TOTAL LIABILITIES</b>		<b>97,385,925</b>	<b>92,874,178</b>
<b>Net Assets</b>		<b>2,267,299,976</b>	<b>1,759,742,805</b>
<b>EQUITY</b>			
Retained Surplus		1,029,442,415	976,521,760
Reserves - Cash/Investment Backed	12	153,516,686	120,831,196
Reserves - Asset Revaluation	13	970,899,917	566,785,101
Town Planning Schemes		113,440,958	95,604,748
<b>Total Equity</b>		<b>2,267,299,976</b>	<b>1,759,742,805</b>

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



## City of Wanneroo

### Statement of Changes in Equity for the year ended 30 June 2015

\$	Notes	Reserves			Town Planning Schemes	Total Equity
		Retained Surplus	Cash / Investment Backed	Asset Revaluation Reserve		
<b>Balance as at 1 July 2013</b>		913,776,493	100,147,894	1,182,653	77,434,239	1,092,541,279
Net Result		101,599,078	-	-	-	101,599,078
Total OCI / Asset Revaluation	13	-	-	565,602,448	-	565,602,448
Reserve Transfers	12	(20,683,302)	20,683,302	-	-	-
Town Planning Scheme Transfers	12	(18,170,509)	-	-	18,170,509	-
<b>Balance as at 30 June 2014</b>		976,521,760	120,831,196	566,785,101	95,604,748	1,759,742,805
Net Result		103,442,355	-	-	-	103,442,355
Total OCI / Asset Revaluation	13	-	-	404,114,816	-	404,114,816
Reserve Transfers	12	(32,685,490)	32,685,490	-	-	-
Town Planning Scheme Transfers	12	(17,836,210)	-	-	17,836,210	-
<b>Balance as at 30 June 2015</b>		1,029,442,415	153,516,686	970,899,917	113,440,958	2,267,299,976

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

## City of Wanneroo

### Statement of Cash Flows

for the year ended 30 June 2015

\$	Notes	2015 Actual	2015 Budget	2014 Actual
<b>Cash Flows from Operating Activities</b>				
<b>Receipts:</b>				
Rates		119,603,242	119,719,385	110,869,617
Operating Grants, Subsidies and Contributions		15,906,857	12,370,325	10,444,904
Fees and Charges		23,302,448	22,537,478	22,552,554
Interest Earnings		6,536,648	8,520,000	8,664,821
Goods and Services Tax		9,293,485	8,200,000	10,394,995
Service Charges		-	-	3,276
Other Revenue		2,056,402	3,936,884	5,989,565
		<u>176,699,082</u>	<u>175,284,072</u>	<u>168,919,732</u>
<b>Payments:</b>				
Employee Costs		(66,278,700)	(72,032,208)	(63,090,084)
Materials and Contracts		(38,686,186)	(49,657,347)	(44,682,429)
Utilities		(7,467,001)	(8,116,720)	(7,441,514)
Insurance		(1,369,947)	(3,689,236)	(1,423,915)
Interest		(3,693,026)	(1,517,528)	(3,689,235)
Goods and Services Tax		(9,751,664)	(8,200,000)	(9,876,336)
		<u>(127,246,524)</u>	<u>(143,213,039)</u>	<u>(130,203,513)</u>
<b>Net Cash provided (or used in) Operating Activities</b>	14(b)	<u>49,452,558</u>	<u>32,071,033</u>	<u>38,716,219</u>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts:</b>				
Non-Operating Grants, Subsidies and Contributions	28	10,418,390	12,972,750	8,184,419
Proceeds from Sale of Assets	21	12,733,654	4,974,921	9,601,400
Net Movement in Investments		-	-	10,000,000
Town Planning Scheme Income (Inc. Interest)		27,781,399	22,946,125	25,662,903
<b>Payments:</b>				
Payments for Development of Land Held for Resale		(8,014,171)	-	(7,057,403)
Payments for Purchase of Property, Plant & Equipment	20	(18,648,076)	(45,208,607)	(8,686,735)
Payments for Construction of Infrastructure	20	(25,349,611)	(42,481,804)	(25,701,849)
Town Planning Scheme Expenses		(2,521,538)	(15,902,000)	(3,748,041)
Equity Contribution - Mindarie Regional Council		(42,126)	-	(39,708)
Equity Contributions - Tamala Regional Council		(860,334)	-	(2,628,331)
<b>Net Cash provided (or used in) Investing Activities</b>		<u>(4,502,413)</u>	<u>(62,698,615)</u>	<u>5,586,655</u>
<b>Cash Flows from Financing Activities</b>				
Nil				
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		44,950,145	(30,627,582)	44,302,874
Cash at the beginning of the year	3	257,579,236	228,726,506	213,276,362
<b>Cash &amp; Cash Equivalents - End of the Year</b>	14(a)	<u>302,529,381</u>	<u>198,098,924</u>	<u>257,579,236</u>
Additional Information:				
plus: <b>Investments on hand - end of year</b>	4	14,400,953	-	13,181,843
<b>Total Cash, Cash Equivalents &amp; Investments</b>		<u>316,930,334</u>	<u>198,098,924</u>	<u>270,761,079</u>

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

## City of Wanneroo

### Rate Setting Statement (by Program) for the year ended 30 June 2015

\$	Notes	2015 Actual	2015 Budget	2014 Actual
<b>Revenue</b>				
Governance		285,850	1,488,044	288,112
General Purpose Funding (Excl Rates)		18,993,726	15,468,300	13,078,992
Law, Order, Public Safety		1,317,259	924,075	1,257,958
Health		409,455	452,660	457,468
Education and Welfare		4,541,510	4,487,322	4,232,175
Community Amenities		7,458,595	20,811,007	13,701,151
Recreation and Culture		19,110,809	27,864,113	14,861,134
Transport		50,177,718	12,534,749	58,973,091
Economic Services		3,307,410	3,364,006	2,866,440
Other Property and Services		38,030,906	28,789,286	33,797,457
		<u>143,633,238</u>	<u>116,183,562</u>	<u>143,513,978</u>
<b>Expenses</b>				
Governance		(8,619,950)	(9,284,554)	(7,722,250)
General Purpose Funding		(2,128,240)	(2,344,918)	(2,994,773)
Law, Order, Public Safety		(6,058,280)	(5,921,531)	(4,872,320)
Health		(2,221,378)	(2,418,267)	(2,241,334)
Education and Welfare		(9,831,764)	(9,983,194)	(8,940,120)
Community Amenities		(35,556,111)	(43,264,157)	(36,928,430)
Recreation and Culture		(50,032,372)	(46,506,870)	(42,230,899)
Transport		(36,094,007)	(30,631,413)	(37,732,656)
Economic Services		(4,307,005)	(4,091,155)	(3,286,111)
Other Property and Services		(5,830,943)	(28,518,980)	(6,351,239)
		<u>(160,680,050)</u>	<u>(182,965,039)</u>	<u>(153,300,132)</u>
		<u>(17,046,812)</u>	<u>(66,781,477)</u>	<u>(9,786,154)</u>
<b>Net Result Excluding Rates</b>				
		<u>(17,046,812)</u>	<u>(66,781,477)</u>	<u>(9,786,154)</u>
<b>Adjustment for Cash Budget Requirements:</b>				
<b>Non-Cash Expenditure &amp; Revenue</b>				
(Profit)/Loss on Asset Disposal	21	(6,676,386)	(2,900,000)	(4,642,656)
Movement in Non-Current Deferred Pensioner Rates		(187,531)	-	(177,683)
Movement in Non-Current Employee Benefit Provisions		(81,273)	-	(124,717)
Depreciation & Amortisation on Assets	2(a)	37,294,753	32,050,000	30,094,147
Physical Assets Received from Developers		(53,528,065)	(30,000,000)	(59,050,006)
Movement in Equity Accounted Investments		(316,648)	-	(746,701)
Impairment of Assets		-	-	(112,468)
		<u>(23,495,150)</u>	<u>(850,000)</u>	<u>(34,760,084)</u>
<b>Capital Expenditure</b>				
Purchase of Land Held for Resale		(8,014,171)	-	(7,253,534)
Purchase Land and Buildings	20	(3,223,750)	(21,743,822)	(1,400,775)
Purchase Plant and Equipment	20	(11,918,623)	(15,746,055)	(4,505,499)
Purchase Furniture and Equipment	20	(2,365,040)	(7,718,730)	(2,367,467)
Infrastructure Assets	20	(24,358,216)	(42,481,804)	(24,386,778)
Equity Contribution - Tamala Park Regional Council		(860,336)	-	(2,374,008)
Equity Contribution - Mindarie Regional Council		(42,126)	-	(39,708)
Movement in Works in progress		(2,132,058)	-	(1,728,157)
		<u>(52,914,320)</u>	<u>(87,690,411)</u>	<u>(44,055,926)</u>

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

## City of Wanneroo

### Rate Setting Statement (by Program) (continued) for the year ended 30 June 2015

\$	Notes	2015 Actual	2015 Budget	2014 Actual
<b>Adjustment for Cash Budget Requirements (continued):</b>				
<b>Capital Revenue</b>				
Proceeds from Disposal of Assets	21	12,733,654	4,974,921	9,579,474
<b>Net Capital Revenue</b>		<b>12,733,654</b>	<b>4,974,921</b>	<b>9,579,474</b>
<b>Transfers</b>				
Transfers to Reserves (Restricted Assets)	12	(65,457,571)	(39,291,516)	(26,381,795)
Transfers from Reserves (Restricted Assets)	12	32,772,081	51,221,107	5,698,493
Movement in Restricted Grants, Contributions & Unspent Loans		2,703,646	7,005,850	7,115,581
Leave Provision Written Back (Transferred to Reserve)		(506,282)	50,000	124,090
Transfers to Town Planning Schemes		(27,781,399)	(22,946,125)	(25,662,903)
Transfers from Town Planning Schemes		9,945,189	26,030,467	7,492,394
<b>Net Transfers</b>		<b>(48,324,336)</b>	<b>22,069,783</b>	<b>(31,614,140)</b>
Surplus/(Deficit) July 1 B/Fwd	24(b)	8,557,798	8,557,799	7,809,396
Surplus/(Deficit) June 30 C/Fwd	24(b)	-	-	8,557,798
<b>Amount Raised from Rates</b>	24(a)	<b>(120,489,166)</b>	<b>(119,719,385)</b>	<b>(111,385,232)</b>

#### Contents

<b>1. Understanding Council's Financial Statements</b>	<b>139</b>
<b>2. Statement by Chief Executive Officer</b>	<b>140</b>
<b>3. Primary Financial Statements:</b>	
- Statement of Comprehensive Income (by Nature or Type)	141
- Statement of Comprehensive Income (by Program)	142
- Statement of Financial Position	144
- Statement of Changes in Equity	145
- Statement of Cash Flows	146
- Rate Setting Statement	147
<b>4. Notes to the Financial Statements</b>	<b>150</b>
<b>5. Independent Auditor's Report</b>	<b>236</b>

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

# NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30 JUNE 2015

NOTE	Details	
1	Significant Accounting Policies	150
2	Operating Revenues and Expenses	165
3	Cash and Cash Equivalents	176
4	Investments	166
5	Trade and Other Receivables	178
6	Inventories	178
8	Property, Plant and Equipment	179
9	Infrastructure	181
10	Trade and Other Payables	183
11	Long Term Borrowings	183
12	Provisions	184
13	Reserves - Cash/Investment Backed	185
14	Reserves - Asset Revaluation	195
15	Notes to the Statement of Cash Flows	196
16	Contingent Liabilities and Contingent Assets	197
17	Capital and Leasing Commitments	198
18	Equity Accounted Investments	199
19	Trust Funds	201
20	Total Assets by Function and Activity	201
21	Acquisition of Assets	201
22	Disposal of Assets	202
23	Financial Ratios	203
24	Information on Borrowings	204
25	Rating Information	206
26	Discounts, Incentives, Concessions and Write-offs	208
27	Interest Charges and Instalments	209
28	Fees and Charges	210
29	Grants, Subsidies and Contributions	210
30	Employee Numbers	211
31	Councillor Remuneration	211
32	Employee Costs	211
33	Major Land Transactions	212
34	Financial Risk Management	225
35	Fair Value Measurements	229
36	Events occurring after the Reporting Period	235

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### 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 is a general purpose financial statement which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other authoritative pronouncements of the Australian Standards Board, *Local Government Act 1995* and accompanying regulations. The report has also been prepared on the accrual basis under the convention of historical cost accounting modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

##### Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. 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 this experience and other factors combine to form the basis of making judgements about carrying values of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

##### (b) 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. All monies held in the Trust Fund are excluded from the financial statements, but a separate statement of those monies appears at Note 18 to this financial report.

##### (c) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are

stated net of any GST recoverable. Receivables and payables in the Statement of Financial Position are stated inclusive of applicable GST.

##### (d) Cash and Cash Equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and on hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities on the Statement of Financial Position.

##### (e) Trade and Other Receivables

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

##### (f) Inventories

##### (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,

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies (continued)

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 Statement of Comprehensive Income 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 City's intentions to release for sale.

#### (g) Fixed Assets

##### 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 and 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 is vested in the local government.

Effective as at 1 July 2008, the City 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 City.

#### (h) 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.

##### Classification and Subsequent Measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies (continued)

Depreciation for infrastructure assets is calculated from the end of the year in which the asset was completed and brought into account.

Expenditure on items of equipment under \$1,000 are not capitalised but are placed on an "Attractive Items" list for reference and maintenance.

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

Buildings	40 years
Bus Shelters*	30 - 50 years
Computer Hardware	3 years
Computer Software	2 years
Footpaths*	25 - 70 years
Furniture & Equipment	10 years
Heavy Vehicles - 1,201 kg to 4,000 kg km's (45% residual)	6 years/100,000
Heavy Vehicles - 4,001 kg to 9,000 kg km's (40% residual)	6 years/200,000
Heavy Vehicles - 9,001 kg to 12,000 kg km's (48% residual)	8 years/500,000
Heavy Vehicles - Refuse	5 years (20% residual)
Irrigation Piping	30 years
Light Vehicles	3 years (60% residual)
Other Infrastructure*	15 - 30 Years
Other Plant and Equipment	10 years
Parks & Reserves*	12 - 85 years
Plant	10 years (50% residual)
Reserves/Playground Equipment*	12 - 15 years
Sealed Car Parks - Pavement	85 years
Sealed Roads and Streets - Major Re-Surfacing*	18 - 40 years
Sealed Roads and Streets - Road Pavement*	85 - 100 years
Street Lighting	33 years
Tennis/Basketball Courts (Acrylic)	12 years
Underpasses	100 years
Water Supply Piping & Drainage Systems*	50 - 100 years

\*Due to useful lives of the individual assets within each asset type varying despite being of a similar nature the asset types denoted have a range of depreciation periods.

The asset's 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.

#### (i) Financial Instruments

##### Initial Recognition and Measurement

Financial assets and financial liabilities are recognised when the City becomes a part to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the City commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

##### Classification and Subsequent Measurement

Financial instruments are subsequently measured at amortised cost using the effective interest rate method or cost.

Depreciation for infrastructure assets is calculated from the end of the year in which the asset was completed and brought into account.

Fair value represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

- the amount is which the financial asset or financial liability is measured at initial recognition;
- less principal repayments;
- plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest rate method; and
- less any reduction for impairment.

The effective interest method used is to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly



## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies (continued)

discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums of discounts) through the expected life (or when this cannot be reliably predicted, the contractual term of the financial instrument to the net carrying amount of the financial asset or financial liability). Revisions to expected future cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

##### (i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

##### (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the Statement of Financial Position date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the Statement of Financial Position.

##### (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the City's management has the positive intention and ability to hold to maturity. If the City were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

##### (iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category

or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the Statement of Financial Position date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

##### (v) Financial Liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

##### Impairment

At the end of each reporting period, the City assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses recognised in the Statement of Comprehensive Income.

##### (j) Fair Value Estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is determined using valuation techniques. The City uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the City for similar financial instruments.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies (continued)

##### (k) Provisions

Provisions are recognised when the City has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

##### (l) Leases

Leases of property, plant and equipment where the City 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.

##### (m) Investment in Associates

An associate is an entity over which the City has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the City's share of net assets of the associates. In

addition, the City's share of the profit or loss of the associate is included in the City's profit or loss.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the City's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

Profits and losses resulting from transactions between the City and the associate are eliminated to the extent of the City's interest in the associate.

When the City's share of losses in an associate equals or exceeds its interest in the associate, the City discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the City will resume recognising its share of those profits once its share of the profits equals the share of the losses not recognised.

##### (n) Impairment

In accordance with Australian Accounting Standards the City's assets, other than inventories, are tested annually for impairment. Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with *AASB 136 Impairment of Assets* and appropriate adjustments made. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Impairment losses are recognised in the Statement of Comprehensive Income.

For non-cash generating assets of the City such as roads, drains, public buildings and the like, value in use is represented by the asset's written down replacement cost.

##### (o) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City becomes

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies (continued)

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.

##### (p) Interest-bearing Loans and Borrowings

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 of 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 City 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.

##### (q) Employee Benefits

The provisions for employees' 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 City has a present obligation to pay resulting from employees' services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the City 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 the City does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

##### (r) Superannuation

The City contributes to a number of Superannuation Funds on behalf of their employees. Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

##### (s) Interests in Joint Arrangements

Joint arrangements represent the contractual sharing of control between parties in a business venture where unanimous decisions about relevant activities are required.

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method.

Joint operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The City's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements.

##### (t) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. 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 Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies (continued)

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed at Note 2(d). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operation for the current reporting period.

##### (u) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the City's operation cycle. In the case of liabilities where the City does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on the City's intentions to release for sale.

##### (v) Rounding Off Figures

All figures shown in this annual financial report, other than a rate in the dollar, are rounded to the nearest dollar.

##### (w) Comparative Figures

Where required, comparative figures have been adjusted to conform with changes in presentation for the current financial year.

When the City applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, a Statement of Financial Position as at the beginning of the earliest period will be disclosed.

##### (x) Budget Comparative Figures

Unless otherwise stated, the budget comparative figures shown in this annual financial report relate to the original budget estimate for the relevant item of disclosure.

##### (y) Investment Property

Investment property, principally comprising freehold office buildings, is held for long-term rental yields. Investment property is carried at fair value, representing open-market value determined annually by external users.

##### (z) Non-Current Assets (or Disposal Groups) "Held for Sale" & Discontinued Operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles which are turned over on a regular basis. Plant and motor vehicles are retained in Non-current Assets under the classification of Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-current Assets "held for sale", an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets "held for sale" are not depreciated or amortised while they are classified as "held for sale".

Non-current assets classified as "held for sale" are presented separately from the other assets in the balance sheet.

A Discontinued Operation is a component of the City's operations that has been disposed of or is classified as "held for sale" and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies (continued)

operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the income statement.

##### (aa) Intangible Assets

City has not classified any assets as Intangible.

##### (ab) New Accounting Standards and Interpretations for Application in Future Periods

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2015.

**The City has not adopted any of these standards early.**

In the current year, the City adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new suite of consolidation standards resulted in some material changes to the City's accounting policies. These standards comprised AASB 10 *Consolidated Financial Statements*, AASB 11 *Joint Arrangements*, AASB 12 *Disclosure of Interests in Other Entities*, AASB 127 (revised 2011) *Separate Financial Statements* and AASB 128 (revised 2011) *Investments in Associates and Joint Ventures*. The impact of these standards is summarised below:

AASB 11 *Joint Arrangements* replaced AASB 131 *Interests in Joint Ventures* for the 2014-15 financial year. AASB 11 specifies how a joint arrangement, where two or more parties have control, should be accounted for. Under AASB 11 joint arrangements are classified as either joint operations or joint ventures and this, in turn, determines the accounting treatment. This classification is based on the rights and obligations of the parties and, when relevant, other facts and circumstances. Previously, AASB 131 classified joint arrangements based primarily on legal form. Under that standard there were three types of joint arrangements - jointly controlled entities, jointly controlled operations and jointly controlled assets.

The City has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective. The City applies standards and interpretations in accordance with their respective commencement dates.

At the date of authorisation of the financial report, AASB 9 *Financial Instruments* is the only new accounting standard with a future application date that is expected to have a material impact on the City's financial statements.

AASB 9, which replaces AASB 139 *Financial Instruments: Recognition and Measurement*, is effective for reporting periods beginning on or after 1 January 2018 and must be applied retrospectively. The main impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost and financial assets will only be able to be measured at amortised cost where very specific conditions are met. As a result, the City has measured its financial assets at fair value.

AASB 9, which replaces AASB 139 *Financial Instruments: Recognition and Measurement*, is effective for reporting periods beginning on or after 1 January 2018 and must be applied retrospectively. The main impact of AASB 9 is to change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements the four current categories of financial assets stipulated in AASB 139 will be replaced with two measurement categories: fair value and amortised cost and financial assets will only be able to be measured at amortised cost where very specific conditions are met.

Due to its recent release, the City is still reviewing the way that revenue is measured and recognised to identify whether AASB 15 *Revenue from Contracts with Customers* will have a material impact. To date no impact has been identified.

AASB 15 is effective from 1 January 2017 and will replace AASB 118 *Revenue*, AASB 111 *Construction Contracts* and a number of Interpretations. It contains a comprehensive and robust framework for the recognition, measurement and disclosure of revenue from contracts with customers.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies (continued)

From 1 July 2016 AASB 124 Related Party Disclosures will apply to the City. This means that the City will disclose more information about related parties and transactions with those related parties. The City is currently preparing for this change by identifying related parties. Related parties will include the Mayor, councillors and some City staff. In addition the close family members of those people and any organisations that they control or are associated with will be classified as related parties.

As at the date of authorisation of the financial statements, the standards and interpretations listed below were in issue but not yet effective.

##### Effective for periods commencing 1 January 2015:

- AASB 2013-9 *Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments* [Operative dates: Part A Conceptual Framework – 20 Dec 2013; Part B Materiality – 1 Jan 2014; Part C Financial Instruments – 1 Jan 2015]
- AASB 2014-8 *Amendments to Australian Accounting Standards arising from AASB 9* (December 2014). Application of AASB 9 (December 2009) and AASB 9 (December 2010).

##### Effective for periods commencing 1 July 2015:

- AASB 2015-3 *Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality*
- AASB 2015-4 *Amendments to Australian Accounting Standards – Financial Reporting Requirements for Australian Groups with a Foreign Parent* [AASB 127 & AASB 128]

##### Effective for periods commencing 1 January 2016:

- AASB 14 *Regulatory Deferral Accounts*
- AASB 2014-1 *Amendments to Australian Accounting Standards*
- AASB 2014-3 *Amendments to Australian Accounting Standards-Accounting for Acquisitions of Interests in Joint Operations*

- AASB 2014-4 *Amendments to Australian Accounting Standards-Clarification of Acceptable Methods of Depreciation and Amortisation*
- AASB 2014-6 *Amendments to Australian Accounting Standards-Agriculture: Bearer Plants*
- AASB 2014-9 *Amendments to Australian Accounting Standards – Equity Method in Separate Financial Statements* [AASB 1, 127 & 128]
- AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [AASB 10 & AASB 128]
- AASB 2015-1 *Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle* [AASB 1, AASB 2, AASB 3, AASB 5, AASB 7, AASB 11, AASB 110, AASB 119, AASB 121, AASB 133, AASB 134, AASB 137 & AASB 140]
- AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101* [AASB 7, AASB 101, AASB 134 & AASB 1049]
- AASB 2015-5 *Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception* [AASB 10, AASB 12 & AASB 128]

##### Effective for periods commencing 1 July 2016:

- AASB 1056 *Superannuation Entities*
- AASB 124 *Related Parties*
- AASB 2015-7 *Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities*

##### Effective for periods commencing 1 January 2017:

- AASB 15 *Revenue from Contracts with Customers*
- AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 1. Summary of Significant Accounting Policies (continued)

##### Effective for periods commencing 1 January 2018:

- AASB 9 *Financial Instruments* (December 2009)
- AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9* (December 2010).
- AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9* (December 2014).

The City adopted AASB 2015-7 *Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities* in the current reporting period. However it does not expect to adopt any other new standards before their operative date.

They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2016.

##### Not applicable to Local Government per se;

There are no other standards that are “not yet effective” and expected to have a material impact on the City in the current or future reporting periods and on foreseeable future transactions.

##### (ac) Other Comprehensive Income

In accordance with AASB 2011-9 *Presentation of Items of Other Comprehensive Income* The other comprehensive income section presents line items for amounts of other comprehensive income in the period, classified by nature and grouped into those that, in accordance with other Australian Accounting Standards will not be reclassified subsequently to profit or loss; and will be reclassified subsequently to profit or loss when specific conditions are met. This encompasses Revaluation Increments.

##### (ad) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses

\$	Notes	2015 Actual	2015 Budget	2014 Actual
<b>(a) Net Result</b>				
The Result includes:				
<b>(i) Charging as an Expense:</b>				
<b>Significant Expense</b>				
The significant expense relates to the reduction in the fair value of the Council's investments	4	-	-	288,260
<b>Auditors Remuneration</b>				
- Audit		52,272	45,000	48,078
- Other Services: Review Procurement Policies and Procedures		-	-	6,380
<b>Bad &amp; Doubtful Debts</b>				
Sundry Debtors		(190,578)	-	641,977
<b>Depreciation &amp; Amortisation</b>				
<i>Property, Plant &amp; Equipment</i>				
- Buildings	7(b)	2,615,005		2,660,893
- Furniture and Equipment		2,445,349		1,603,784
- Plant and Equipment		6,495,648		4,020,406
<i>Infrastructure</i>				
- Roads	8(b)	13,444,529		15,980,434
- Drainage		2,381,096		2,208,814
- Other Infrastructure		3,855,128		849,542
- Pathways		1,823,470		1,052,793
- Car Parks		675,890		316,378
- Reserves		3,558,638		1,401,103
		<u>37,294,753</u>		<u>30,094,147</u>
<b>Interest Expenses (Finance Costs)</b>				
Accrued Interest on Loans		14,038	-	10,248
Debentures	23(a)	3,689,236	3,689,236	3,689,235
		<u>3,703,274</u>	<u>3,689,236</u>	<u>3,699,483</u>
<b>(ii) Crediting as Revenue:</b>				
<b>Interest Earnings</b>				
Investments - Municipal Funds		2,540,429	4,000,000	3,037,412
Investments - Reserve Funds		4,249,994	3,000,000	4,152,471
Other Interest Revenue	26	1,707,200	1,520,000	1,624,830
		<u>8,497,623</u>	<u>8,520,000</u>	<u>8,814,713</u>
Town Planning Schemes		3,787,830	3,000,000	3,652,048
<b>Total</b>		<u>12,285,453</u>	<u>11,520,000</u>	<u>12,466,761</u>



## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

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\$

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

##### Statement of Objective

In order to discharge its responsibilities to the community, the Council has developed a set of operational and financial objectives these have been established both on an overall basis, reflected by the Council's Vision, and for each of its broad activities/programs.

With reference to the City of Wanneroo's Strategic Community Plan 2013/14-2022/23:

##### Vision

Building a Future Together

##### Community Aspirations

The community aspirations developed under the four pillars of the community priorities are:

- 1) Environment
  - A healthy and sustainable natural and building environment.
- 2) Society
  - Healthy, safe, vibrant and active communities.
- 3) Economy
  - Progressive, connected communities that enable economic growth and employment.
- 4) Civic Leadership
  - Working with others to ensure the best use of our resources.

##### 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 of 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.

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

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\$

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

##### **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, immunisation, 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, senior citizens centres, meals on wheels and home care services.

##### **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: Maintenance of public halls, civic centre, 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.

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

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\$

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

##### 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 and standpipes. Building control.

##### OTHER PROPERTY & SERVICES

Objective: To monitor and control council's overheads operating accounts.

Activities: Private works operation, plant repair and operation costs and engineering operation costs.

#### (c) Nature or Type Classifications

City of Wanneroo is required by the Australian Accounting Standards to disclose revenue and expenditure according to its nature or type classification. The following nature or function 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.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

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\$

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##### (c) Nature or Type Classifications (continued)

###### 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 dividends, discounts, rebates, etc.

#### 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.

###### 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.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

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\$

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##### (c) Nature or Type Classifications (continued)

###### **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. Donations and subsidies made to community groups.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

	Opening Balance <sup>1</sup> 1-Jul-13	Received <sup>2</sup> 2014	Expended <sup>3</sup> 2014	Closing Balance <sup>1</sup> 30-Jun-14	Received <sup>2</sup> 2015	Expended <sup>3</sup> 2015	Closing Balance 30-Jun-15
<b>\$</b>							
<b>(d). Conditions Over Grants, Subsidies &amp; Contributions</b>							
<b>Grant/Subsidy/Contribution</b>							
<b><u>Economic Development</u></b>							
Economic Development Initiatives for 2Rocks	92,000	-	-	92,000	-	-	92,000
Economic Development Initiatives for Lot 12 Marmion Ave Jindalee	76,800	-	-	76,800	-	-	76,800
Sponsorship of Business Grow Centre	10,000	-	(10,000)	-	-	-	-
Economic Development Contributions for Somerly	42,200	-	-	42,200	-	-	42,200
<b><u>Emergency Services &amp; Environmental Protection</u></b>							
Emergency Services Levy Grant	421,084	394,197	(733,271)	82,010	293,138	(375,148)	-
Federal Emergency Relief	12,818	36,574	(49,392)	-	27,593	(27,593)	-
Emergency Relief Funding LotteryWest	19,404	95,000	(95,644)	18,760	148,000	(141,678)	25,082
Hands On for our Coastline Mindarie Foreshore Restoration Project 2							
Clayton's Beach -DPI	1,008	-	(1,008)	-	-	-	-
Koondoola Regional Bushland Interpretive Walk Trail	3,198	-	(3,198)	-	-	-	-
Girrawheen Greening Project	1,000	-	-	1,000	-	-	1,000
Coast Protection Quinns - Department of Transport	-	-	-	-	138,394	-	138,394
<b><u>Health &amp; Fitness</u></b>							
Healthy Communities Initiative -Obesity & Physical Activity -Department of Health and Ageing	84,116	-	(84,116)	-	-	-	-
Heart Foundation	28	-	(28)	-	-	-	-
Kidsport 2012/2013 - DSR	31,142	-	(31,142)	-	-	-	-
Your Move Project 2014/2015	-	-	-	-	50,000	(29,215)	20,785
(continued on next page)							

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

	Opening Balance <sup>1</sup> 1-Jul-13	Received <sup>2</sup> 2014	Expended <sup>3</sup> 2014	Closing Balance <sup>1</sup> 30-Jun-14	Received <sup>2</sup> 2015	Expended <sup>3</sup> 2015	Closing Balance 30-Jun-15
<b>\$</b>							
<b>(d). Conditions Over Grants, Subsidies &amp; Contributions (continued)</b>							
<b>Grant/Subsidy/Contribution (continued)</b>							
<b>Youth Services</b>							
Clarkson Youth Service Membership Fees	2,103	-	(2,103)	-	-	-	-
Yanchep Youth Service Membership Fees	1,725	-	(1,725)	-	-	-	-
National Youth Week to be held 18/04/2010 - Dept for Communities	47	-	(47)	-	-	-	-
Carramar Youth Project - Community Crime Prevention Fund	-	-	-	-	24,905	(6,864)	18,041
<b>Buildings</b>							
Wangara Recycling Centre Contributions towards Facility Modifications-O S & H & Operational Improvements One-third partner contributions as per clause 3.14 of the MRF Agreement -City of Joondalup	13,967	-	(13,967)	-	-	-	-
Wangara Recycling Centre Contributions towards Facility Modifications-O S & H & Operational Improvements One-third partner contributions as per clause 3.14 of the MRF Agreement -City of Swan	81,654	-	(81,654)	-	-	-	-
WRC PR 2279 Capital Project Wangara Recycling Centre - New Plant Purchase (portable lifting platform & powered Hacksaw & Plasma cutter	2,198	-	(2,198)	-	-	-	-
Wangara MRF - Construct new glass sanding unit	78,605	-	(78,605)	-	-	-	-
Department of Fire & Emergency Services (Grant Income) Two Rocks Volunteer Bush Fire Brigade Fire Station	18,697	18,697	(37,394)	-	-	-	-
Ridgewood Reserve patio extension upgrade	19,000	-	(19,000)	-	-	-	-
<b>Plant &amp; Equipment</b>							
Department of Health - Purchase of 12 seat HACCC Bus	14,375	-	(14,375)	-	-	-	-
Department of Health - HACCC Bus Funds diverted to My Life My Words Project 2014	-	14,375	(4,154)	10,221	-	(4,783)	5,438
(continued on next page)							

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

	Opening Balance <sup>1</sup> 1-Jul-13	Received <sup>2</sup> 2014	Expended <sup>3</sup> 2014	Closing Balance <sup>1</sup> 30-Jun-14	Received <sup>2</sup> 2015	Expended <sup>3</sup> 2015	Closing Balance 30-Jun-15
<b>\$</b>							
<b>(d). Conditions Over Grants, Subsidies &amp; Contributions (continued)</b>							
<b>Grant/Subsidy/Contribution (continued)</b>							
<b>Recreation &amp; Culture</b>							
2008/2009 RLCIP Refurbishment of Wanneroo Showgrounds Grandstand	37,382	-	(37,382)	-	-	-	-
Anzac Last Post Grant - Department of Veterans Affairs	-	-	-	-	51,026	(39,063)	11,963
<b>Roads</b>							
Supply and installation of Speed Cushions for Burnett Drive, Clarkson - MRWA	8,927	-	(8,927)	-	-	-	-
2008/09 State Black Spot Projects - Pinjar Rd Construct traffic control signals Wanneroo Rd/Pinjar Rd	104,705	-	(104,705)	-	-	-	-
2009/10 Federal Black Spot Program Hester Ave, Neerabup - Install Traffic Treatment	103,762	-	(103,762)	-	-	-	-
Road Rehabilitation Projects 2007/08 - Templeton St Allison Dr to Marangaroo Dr	415,165	-	(415,165)	-	-	-	-
Caversham Property Pty Ltd-MOU for the prefunding of the development of Dalvik Park	46,345	-	(46,345)	-	-	-	-
Lemon Grove Landsdale Supervision Lots 22-24 Kingsway Darch	7,584	-	(7,584)	-	-	-	-
Mila Properties ATF -Contribution (Wanneroo rd/Lancaster rd) - Lot 33	23,330	-	(23,330)	-	-	-	-
Patanal Pty Ltd-Contribution	13,500	-	(13,500)	-	-	-	-
Yanchep Ocean Front Trust-Marmion Avenue Contribution-Yanchep Ocean Lagoon	30,318	-	(30,318)	-	-	-	-
Galea Bldg Co-Contribution to subdivisional works relating to Lot 31 Lancaster rd, Wangara (continued on next page)	46,754	-	(46,754)	-	-	-	-



## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

	Opening Balance <sup>1</sup> 1-Jul-13	Received <sup>2</sup> 2014	Expended <sup>3</sup> 2014	Closing Balance <sup>1</sup> 30-Jun-14	Received <sup>2</sup> 2015	Expended <sup>3</sup> 2015	Closing Balance 30-Jun-15
<b>\$</b>							
<b>(d). Conditions Over Grants, Subsidies &amp; Contributions (continued)</b>							
<b>Grant/Subsidy/Contribution (continued)</b>							
<b>Roads (continued)</b>							
A & J Salamone Unit Trust- Mirrabooka Ave, Lansdale Cont A & J Salamone	2,400	-	(2,400)	-	-	-	-
Vermont Grove- Upgrade Kingsway	11,647	-	(11,647)	-	-	-	-
Fermanagh Investments-Bond Future Sump Works	12,298	-	(12,298)	-	-	-	-
Galea Bldg Co-Contribution to upgrade of Lancaster Rd & Wann Intersection	24,797	-	(24,797)	-	-	-	-
28 Lancaster Rd WAPC1 18370	41,050	-	(41,050)	-	-	-	-
Masterkey Prop-Cont L49 Archer St Pearsall WAPC 121755							
Subdivisional Contribution Lot 895 Sweep Ridge-Part Lot 614 Lagoon Drive, Yanchepe	350	-	(350)	-	-	-	-
Carine Nominees P/L Jindalee Stage 3B	27,838	-	(27,838)	-	-	-	-
Watson Property Group Construction of Intersection	41,120	-	(41,120)	-	-	-	-
Weston Living Pty Ltd Lots 32-34 Kingsway	23,406	-	(23,406)	-	-	-	-
Millic P/L Lot 16 Kingsway Darch Roundabout Contribution	11,703	-	(11,703)	-	-	-	-
Bravado Nominees P/L Lot 75 Cooper St Madeley	10,000	-	-	10,000	-	-	10,000
Lancaster Industrial Park P/L	76,747	-	-	76,747	-	-	76,747
Galea Bldg Co-Contribution to upgrade of Lancaster Rd & Wann Intersection							
Lot 28 Windsor Rd	28,867	-	(28,867)	-	-	-	-
Warwick Bus & Charter Contribution for Lot 27 Windsor rd	28,716	-	(28,716)	-	-	-	-
Watson Property Group Woodvale Ltd Cont to Madeley Rise Stage 5 Madeley	42,216	-	-	42,216	-	-	42,216
B Monte Cont to Lot 26 Pinjar rd Ashby	12,140	-	(12,140)	-	-	-	-

(continued on next page)

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

	Opening Balance <sup>1</sup> 1-Jul-13	Received <sup>2</sup> 2014	Expended <sup>3</sup> 2014	Closing Balance <sup>1</sup> 30-Jun-14	Received <sup>2</sup> 2015	Expended <sup>3</sup> 2015	Closing Balance 30-Jun-15
<b>\$</b>							
<b>(d). Conditions Over Grants, Subsidies &amp; Contributions (continued)</b>							
<b>Grant/Subsidy/Contribution (continued)</b>							
<b>Roads (continued)</b>							
Weston Living Pty Ltd Lots 32-34 Kingsway Stage 2 Darch	81,219	-	(81,219)	-	-	-	-
Watson Property Group Cont to Lot 21 Capri Leone Way Sinagra	42,167	-	(42,167)	-	-	-	-
Satterley Property Group Cont to The Grove Stage 7E	65,795	-	(65,795)	-	-	-	-
Satterley Property Group Cont to The Grove Stage 7c	63,570	-	(63,570)	-	-	-	-
Lot 257 Badgerup rd Subdivisional Development	328,275	-	(328,275)	-	-	-	-
Re Ledger Pty Ltd - Curtin Rd Marangaroo	2,730	-	-	2,730	-	-	2,730
Peet & Co - Yanchep Ocean Lagoon Contributions	450	-	-	450	-	-	450
Peet & Co - Contributions East Rd/Wanneroo Rd	12,701	-	-	12,701	-	-	12,701
Civil Technology - East Wann Rd Intersection	3,050	-	-	3,050	-	-	3,050
AHG - Wann Rd & Lancaster Rd	77,234	-	-	77,234	-	-	77,234
Geary Ray - Drainage Upgrade- High rd	11,135	-	-	11,135	-	-	11,135
Silverton Limited - Lots 1000 & 1001 Quinns North	6,000	-	-	6,000	-	-	6,000
Australand - Contribution for East Rd/Wann Rd Upgrade	14,757	-	-	14,757	-	-	14,757
Stockland WA - Ashdale Gardens Stages 2A & B O/S Works Contributions	36,000	-	(36,000)	-	-	-	-
Stockland WA - Roundabout-Driver Rd & Waterford Parade Stage 7 Ashdale Gardens	18,000	-	-	18,000	-	-	18,000
Sun Valley Investments - Lots 50 & 51 East Rd Stage 2 Developer							
Headworks Levy - East	9,873	-	-	9,873	-	(9,873)	-
Zebra Properties Pty Ltd - Wann Cell No 6	16,200	-	-	16,200	-	-	16,200

(continued on next page)

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

	Opening	Received <sup>2</sup>	Expended <sup>3</sup>	Closing	Received <sup>2</sup>	Expended <sup>3</sup>	Closing
	Balance <sup>1</sup> 1-Jul-13	2014	2014	Balance <sup>1</sup> 30-Jun-14	2015	2015	Balance <sup>1</sup> 30-Jun-15
\$							
(d). Conditions Over Grants, Subsidies & Contributions (continued)							
<b>Grant/Subsidy/Contribution (continued)</b>							
<b>Roads (continued)</b>							
East Wann Scheme Fees & Wann Rd Intersection Lot 238-244 Ashbrook Ave Pearsall	820	-	-	820	-	(820)	-
Watson Property Group - Ashby Rise Stage 1 Contribution	82,500	-	(82,500)	-	-	-	-
Watson Property Group Woodvale Rise Ltd Future Gnangara Rd Intersection (Madeley Rise Stage 6)	31,735	-	(31,735)	-	-	-	-
Watson Property Group Woodvale Rise Ltd Future Gnangara Rd Realignment	43,850	-	(43,850)	-	-	-	-
Aust Holding Ltd Bond Retained Kallista Gardens for Backshall Place Wanneroo South Traffic Management - (Road Structures and Devices)	45,455	-	(45,455)	-	-	-	-
Wanneroo Central Shopping Centre- Design & Construction for the Yagan Place Extension and the Right of Way Adjacent to Lot 507	134,822	-	(134,822)	-	-	-	-
Australand Investments Const of Roundabout Intersection of Librizzi Pde & Basico Ave (Olive Ridge Stage 1 & 2)	20,265	-	-	20,265	-	-	20,265
Australand Investments Const of Roundabout connecting Messina Dr with Realigned Pinjar Rd (Olive Ridge Stage 1 & 2)	82,500	-	(82,500)	-	-	-	-
Grantleigh P/L T/A Lancaster Auto Imports - Lot 32 Lancaster Rd Wangara Cont towards the upgrade of Wann Rd & Lancaster Rd Wangara	24,765	-	(24,765)	-	-	-	-
Mendelawitz Morton Quality Settlements - Landsdale Cell 9 Rd Construction Repayment (continued on next page)	252,178	-	-	252,178	-	-	252,178

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

	Opening Balance <sup>1</sup> 1-Jul-13	Received <sup>2</sup> 2014	Expended <sup>3</sup> 2014	Closing Balance <sup>1</sup> 30-Jun-14	Received <sup>2</sup> 2015	Expended <sup>3</sup> 2015	Closing Balance 30-Jun-15
<b>\$</b>							
<b>(d). Conditions Over Grants, Subsidies &amp; Contributions (continued)</b>							
<b>Grant/Subsidy/Contribution (continued)</b>							
<b>Roads (continued)</b>							
Re-Lot 84 Nicholas rd, Subdivision 06/047 2nd part of a two part \$200,000.00 contribution as a condition approving the discharge of stormwater into the City's Ranworth rd Drainage Swale - Marauba P/L	24,000	-	-	24,000	-	-	24,000
Re-Lot 84 Nicholas rd, Subdivision 06/047 2nd part of a two part \$200,000.00 contribution as a condition approving the discharge of stormwater into the City's Ranworth rd Drainage Swale - Mammoth Nominees P/L	176,000	-	-	176,000	-	-	176,000
Peet Ashton Heights Contribution for future resurfacing of roundabouts in Ashton Heights	25,000	-	-	25,000	-	-	25,000
Rangeview & Landsdale Roads Repayment of Road Construction Advance and Interest - Timescope P/L	26,503	-	(26,503)	-	-	-	-
Contribution for upgrading existing roads Lot 3 Hainsworth Mews Redevelopment - McCusker Holdings P/L (C/- Cossill & Webley)	30,892	-	(30,892)	-	-	-	-
Payment towards the modification of Lancaster rd /Windsor rd to accommodate safe entry to Western Power Sub Station, Lot 22 Windsor rd, Madeley	25,000	-	(25,000)	-	-	-	-
Joondalup Drive Banksia Grove - Pedestrian Safety Improvement Works as part of Better Regions Program -Banksia Grove Nominees	107,727	-	(107,727)	-	-	-	-
Miluc Holdings P/L Lot 17 Tony Martin Way, Darch (Tony Martin Way & Danti) Roundabout Contribution	11,703	-	(11,703)	-	-	-	-
Main Roads Joondalup Dr Second Carriageway Pavement	93,281	-	(93,281)	-	-	-	-

(continued on next page)

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

	Opening Balance <sup>1</sup> 1-Jul-13	Received <sup>2</sup> 2014	Expended <sup>3</sup> 2014	Closing Balance <sup>1</sup> 30-Jun-14	Received <sup>2</sup> 2015	Expended <sup>3</sup> 2015	Closing Balance 30-Jun-15
<b>\$</b>							
<b>(d). Conditions Over Grants, Subsidies &amp; Contributions (continued)</b>							
<b>Grant/Subsidy/Contribution (continued)</b>							
<b>Roads (continued)</b>							
Main Roads Black Spot Project Grant - Caporn St/Franklin St	-	270,416	(270,416)	-	-	-	-
MRRG Road Improvement Projects Grants / Capital Grant - Hepburn Ave	370,056	-	(370,056)	-	-	-	-
2011/12 State Black Spot Projects- Hughie Edwards Drive and Marmion Ave Intersection	45,503	-	(45,503)	-	-	-	-
2011/12 State Black Spot Projects- Sydney rd, Girrawheen Avenue and Marangaroo Drive	31,210	-	(31,210)	-	-	-	-
2011/12 MRRG Direct Grants -Road Resurfacing Program	420,409	-	(420,409)	-	-	-	-
R2R - Construct Traffic Treatments at Lagoon Drive, Yanchep (Marmion Ave to Foreshore Vista)	100,000	325,000	(425,000)	-	-	-	-
R2R - Construct Traffic Treatments at Brazier rd, Yanchep (Lagoon Dr to Compass Cir)	63,458	-	(63,458)	-	-	-	-
Construct Carriageway - Lenore rd, Wanneroo	377,856	453,333	(831,189)	-	-	-	-
Flynn Drive, Neerabup - Construct Road	12,479	-	(12,479)	-	-	-	-
Design Services for Traffic Signal modifications at Alexander and Marangaroo Drive intersection	58,051	-	(58,051)	-	-	-	-
Marmion/Hester Avenues intersection upgrade roundabout	80,846	266,667	(347,513)	-	-	-	-
Wanneroo rd Town Centre, Streetscape improvement, Church Street to Noonan Drive, Wanneroo	311,629	-	(311,629)	-	-	-	-
MRRG - 13/14 State Blackspot Grant - Old Yanchep rd Stage 1	-	104,000	-	104,000	-	(104,000)	-
Compensation for road widening at Lot 600 Wattle Avenue Neerabup	-	1,028,120	-	1,028,120	-	-	1,028,120
Signalised intersection contribution Stage 1 1 for Yanchep Beach rd Jindowie	-	-	-	-	121,875	-	121,875
(continued on next page)							

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

	Opening Balance <sup>1</sup> 1-Jul-13	Received <sup>2</sup> 2014	Expended <sup>3</sup> 2014	Closing Balance <sup>1</sup> 30-Jun-14	Received <sup>2</sup> 2015	Expended <sup>3</sup> 2015	Closing Balance 30-Jun-15
<b>\$</b>							
<b>(d). Conditions Over Grants, Subsidies &amp; Contributions (continued)</b>							
<b>Grant/Subsidy/Contribution (continued)</b>							
<b>Roads (continued)</b>							
Contribution for roundabout at Shiraz & Cabernet Loop Pearsall	-	-	-	-	55,571	-	55,571
Construction of Connolly Drive dual carriageway Neerabup rd to Hester Avenue Clarkson	-	-	-	-	1,272,800	(53,199)	1,219,601
Construction of Connolly Drive dual carriageway Hester Avenue to Lukin Drive Merriwa	-	-	-	-	1,033,333	(194,764)	838,569
Contribution for Subdivision of Lot 507 Pederick rd Neerabup (rd Deed no2)	2,022,077	-	-	2,022,077	-	-	2,022,077
Contribution for Subdivision of Lot 507 Pederick rd Neerabup (rd Deed no1)	1,503,803	-	-	1,503,803	-	-	1,503,803
<b>Safer WA</b>							
CCTV Implementation Plan Wanneroo Town Centre Project - Office of Crime Prevention	20,965	-	(20,965)	-	-	-	-
Wanneroo Graffiti Project Incentive Funding PR-2013 -Office of Crime Prevention	5,825	-	(5,825)	-	-	-	-
<b>Other Property &amp; Services</b>							
Wanneroo Financial Counselling Service Membership Fees	1,060	-	(1,060)	-	-	-	-
Yanchep Community House Membership Fees	631	-	(631)	-	-	-	-
2008/2009 RLCIP Relocation of Old Wanneroo School Building	46,837	-	(46,837)	-	-	-	-
OMCF Walls of Honour Bert Togno Park Wanneroo -DLG (continued on next page)	2,246	-	(2,246)	-	-	-	-

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 2. Operating Revenues and Expenses (continued)

	Opening Balance <sup>1</sup> 1-Jul-13	Received <sup>2</sup> 2014	Expended <sup>3</sup> 2014	Closing Balance <sup>1</sup> 30-Jun-14	Received <sup>2</sup> 2015	Expended <sup>3</sup> 2015	Closing Balance 30-Jun-15
\$							
(d). Conditions Over Grants, Subsidies & Contributions (continued)							
<b>Grant/Subsidy/Contribution (continued)</b>							
<b>Other Property &amp; Services (continued)</b>							
Catalyst Funding Program- Workshops with Artist in Residence Wendy Lugg	705	-	(705)	-	-	-	-
Driver Reviver	2,746	-	(2,746)	-	-	-	-
Donation of Park Benches for Memorial Park from the Wanneroo Lions Club	2,540	-	(2,540)	-	-	-	-
AWARE Program Agreement 2013/2014 - 100% Grant Automated Fire							
Danger Rating Signs	-	27,727	(1,952)	25,775	-	(25,775)	-
YSpeak! A face, place and voice - Youth Friendly Communities Project - Department of Local Government & Communities	-	10,000	-	10,000	-	(8,069)	1,931
Pathways - Perth Bicycle Network LG Grants - Wanneroo rd; Gnangara rd to Wilmont Ave, Madeley	25,404	-	(25,404)	-	-	-	-
Development of play & park facilities at Hardcastle Park	-	-	-	-	36,364	-	36,364
<b>Total Unspent Grants, Subsidies &amp; Contributions</b>	<b>9,794,724</b>	<b>3,044,106</b>	<b>(7,022,708)</b>	<b>5,816,122</b>	<b>3,252,999</b>	<b>(1,020,844)</b>	<b>8,048,277</b>

#### 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 revenues 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 revenues 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.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 3. Cash and Cash Equivalents

\$	Notes	2015 Actual	2014 Actual
<b>Unrestricted</b>			
Cash Municipal		8,917,396	15,550,534
Cash on Hand		25,716	15,645
		<u>8,943,112</u>	<u>15,566,179</u>
<b>Restricted</b>			
Reserves - Cash Backed		153,516,686	120,831,196
Town Planning Schemes		117,196,114	95,604,747
Unspent Grants		8,048,277	5,816,122
Unspent Loans		14,825,192	19,760,992
		<u>293,586,269</u>	<u>242,013,057</u>
<b>Total Cash and Cash Equivalents</b>	14(a)	<u>302,529,381</u>	<u>257,579,236</u>
<b>The following restrictions have been imposed by regulations or other externally imposed requirements:</b>			
Alkimos/Eglinton Coastal Corridor Community Facilities Reserve	12	8,393,577	4,189,089
Asset Replacement Reserve	12	4,719,983	5,721,120
Butler Collaborative Planning Agreement Reserve	12	2,792,198	2,694,317
Carried Forward Capital Projects Reserve	12	10,011,748	-
City of Wanneroo Townsite Reserve	12	-	4,356
Commercial Refuse Reserve	12	2,072,690	2,000,043
Commercial Refuse - Plant Replacement Reserve	12	-	2,214,938
Domestic Refuse Reserve	12	5,343,797	5,679,060
Domestic Refuse - Plant Replacement Reserve	12	-	7,995,707
Fleming Park Lake Reserve	12	207,526	200,251
Golf Course Reserve	12	1,261,734	1,112,920
HACC Asset Replacement Reserve	12	506,970	471,846
Heavy Vehicle Replacement Reserve	12	-	2,651,100
Land Acquisition Reserve	12	1,572,499	1,517,375
Leave Liability Reserve	12	1,397,599	1,903,881
Light Vehicle Replacement Reserve	12	-	2,950,118
Loan Repayment Reserve	12	15,573,746	10,042,258
Materials Recovery Facility Upgrade Reserve	12	91,377	88,174
Neerabup Development Reserve	12	5,645,389	3,185,547
Plant Replacement Reserve	12	3,562,426	-
Resource Recovery Domestic Refuse Reserve	12	-	1,693,540
Section 152 Reserve (formerly Section 20A Land Reserve)	12	1,499,533	182,609
Strategic Projects / Initiatives Reserve	12	81,160,162	57,262,167
Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)	12	120,732	118,766
TPS 20 - District Distributor Road Headworks Reserve	12	6,387,614	6,163,701
Yanchep Bus Reserve	12	172,405	161,724
Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve	12	1,022,981	626,589
<b>Total Reserves</b>		<u>153,516,686</u>	<u>120,831,196</u>
Unspent Grants and Contributions	2(d)	8,048,277	5,816,122
Unspent Loan Funds	23(c)	14,825,192	19,760,993
<b>Total Unspent Grants and Loans</b>		<u>22,873,469</u>	<u>25,577,115</u>



## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 3. Cash and Cash Equivalents (continued)

\$	Notes	2015 Actual	2014 Actual
Town Planning Schemes		117,196,114	95,604,747
<b>Other Restrictions</b>		<u>117,196,114</u>	<u>95,604,747</u>
<b>Total Restricted Cash</b>		<u><u>293,586,269</u></u>	<u><u>242,013,058</u></u>

#### Note 4. Investments

##### Non Current

##### Movements in Financial Assets at Fair Value through Profit and Loss

<b>At beginning of the year</b>		-	10,288,260
Revaluation to Statement of Comprehensive Income	2(a)	-	(288,260)
Disposals		-	(10,000,000)
<b>At end of the year</b>		<u>-</u>	<u>-</u>

##### Equity Accounted Investments

Tamala Park Regional Council	17(a)	8,015,712	7,071,097
Mindarie Regional Council	17(b)	6,385,241	6,110,746
		<u>14,400,953</u>	<u>13,181,843</u>

##### Total Investments

<u><u>14,400,953</u></u>	<u><u>13,181,843</u></u>
--------------------------	--------------------------

##### Classified as:

Unrestricted (Municipal Fund)	14,400,953	13,181,843
<b>Total Investments</b>	<u>14,400,953</u>	<u>13,181,843</u>

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 5. Trade & Other Receivables

\$	2015 Actual	2014 Actual
<b>Current</b>		
Rates Outstanding (Inclusive of Refuse & Swimming Pool Insp)	11,448,693	10,716,067
Prepayments	303,796	377,310
GST Receivable	1,283,351	825,172
Accrued Income	6,634,719	5,013,412
Sundry Debtors	1,720,886	5,268,521
Provision for Doubtful Debts	(579,523)	(770,101)
<b>Total Current Trade &amp; Other Receivables</b>	<b><u>20,811,922</u></b>	<b><u>21,430,381</u></b>
<b>Non-Current</b>		
Rates Outstanding - Pensioners	2,088,214	1,900,683
Deferred Debtors	7,355	7,355
<b>Total Non-Current Trade &amp; Other Receivables</b>	<b><u>2,095,569</u></b>	<b><u>1,908,038</u></b>

#### Note 6. Inventories

<b>Current</b>		
Stores and Materials (Held at Cost)	369,608	341,738
<b>Total Current Inventories</b>	<b><u>369,608</u></b>	<b><u>341,738</u></b>
<b>Non-Current</b>		
Land Held for Resale - Cost - Development Costs	13,114,991	7,648,086
<b>Total Non-Current Inventories</b>	<b><u>13,114,991</u></b>	<b><u>7,648,086</u></b>

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 7a. Property, Plant and Equipment

\$	Notes	2015 Actual	2014 Actual
Land - Fair Value		331,100,384	-
Land - Cost		-	9,672,211
		<u>331,100,384</u>	<u>9,672,211</u>
Buildings - Fair Value		163,593,445	-
Buildings - Cost		-	108,242,901
Less Accumulated Depreciation		-	(27,978,783)
		<u>163,593,445</u>	<u>80,264,118</u>
Furniture and Equipment - Fair Value		8,637,008	-
Furniture and Equipment - Cost		-	22,084,711
Less Accumulated Depreciation		-	(13,719,196)
		<u>8,637,008</u>	<u>8,365,515</u>
Plant and Equipment - Fair Value		24,634,105	24,634,105
Plant and Equipment - Additions after valuation - Cost		15,158,386	4,115,179
Less Accumulated Depreciation		(10,158,008)	(3,955,770)
		<u>29,634,483</u>	<u>24,793,514</u>
Works in Progress - Cost		<u>1,940,125</u>	<u>3,338,402</u>
		1,940,125	3,338,402
<b>Total Property, Plant &amp; Equipment</b>	7(b)	<u><u>534,905,445</u></u>	<u><u>126,433,760</u></u>

The fair value of property, plant and equipment is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires property, plant and equipment to be shown at fair value.

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

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

##### Movements in Carrying Amounts

\$	Notes	Land	Buildings	Furniture and Equipment	Plant and Equipment	Works in Progress	Total
		Fair Value	Fair Value	Fair Value	Fair Value	Cost	
Balance as at 1 July 2014		9,672,211	80,264,118	8,365,515	24,793,514	3,338,402	126,433,760
Additions	20	-	3,223,750	2,663,381	12,343,276	1,140,663	19,371,070
Transfers from Works in Progress	20	-	182,948	105,872	198,355	(487,175)	-
Transfer to Land for Resale		-	-	-	-	(2,051,765)	(2,051,765)
Disposals	21	-	(148,906)	(52,411)	(1,205,014)	-	(1,406,331)
Revaluation - Increments	13	321,428,173	82,686,540	-	-	-	404,114,713
Depreciation	2(a)	-	(2,615,005)	(2,445,349)	(6,495,648)	-	(11,556,002)
<b>Property, Plant &amp; Equipment at 30 June 2015</b>		<b>331,100,384</b>	<b>163,593,445</b>	<b>8,637,008</b>	<b>29,634,483</b>	<b>1,940,125</b>	<b>534,905,445</b>

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 8a. Infrastructure

\$	Notes	2015 Actual	2014 Actual
Roads - Fair Value		941,546,322	941,546,322
Roads - Additions after valuation - Cost		48,122,690	-
Less Accumulated Depreciation		<u>(13,444,529)</u>	<u>-</u>
		976,224,483	941,546,322
Drainage - Fair Value		181,191,341	181,191,341
Drainage - Additions after valuation - Cost		7,396,938	-
Less Accumulated Depreciation		<u>(2,381,096)</u>	<u>-</u>
		186,207,183	181,191,341
Other Infrastructure - Fair Value		49,390,650	49,390,650
Other Infrastructure - Cost		3,850,957	-
Less Accumulated Amortisation		<u>(3,855,128)</u>	<u>-</u>
		49,386,479	49,390,650
Pathways - Fair Value		95,218,417	95,218,417
Pathways - Additions after valuation - Cost		5,331,505	-
Less Accumulated Amortisation		<u>(1,823,470)</u>	<u>-</u>
		98,726,452	95,218,417
Car Parks - Fair Value		9,681,370	9,681,370
Car Parks - Additions after valuation - Cost		1,376,953	-
Less Accumulated Amortisation		<u>(675,890)</u>	<u>-</u>
		10,382,433	9,681,370
Reserves - Fair Value		145,743,118	145,743,118
Reserves - Additions after valuation - Cost		12,363,914	-
Less Accumulated Amortisation		<u>(3,558,638)</u>	<u>-</u>
		154,548,394	145,743,118
Works in Progress - Cost		<u>982,608</u>	<u>1,322,683</u>
		982,608	1,322,683
<b>Total Infrastructure</b>	8(b)	<u><u>1,476,458,032</u></u>	<u><u>1,424,093,901</u></u>

The fair value of infrastructure is determined at least every three years in accordance with legislative requirements. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires infrastructure to be shown at fair value.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 8b. Infrastructure (continued)

#### Movements in Carrying Amounts

	Notes	Roads		Drainage		Other Infrastructure		Pathways		Car Parks		Reserves		Works in Progress		Total
		Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Cost		
Balance as at 1 July 2014		941,546,322	181,191,341	49,390,650	95,218,417	9,681,370	145,743,118	1,322,683	1,424,093,901							
Additions	20	47,416,414	7,388,042	3,871,399	5,287,110	1,349,004	11,851,318	991,395	78,154,682							
Transfers from Works in Progress	20	706,173	8,896	31,461	44,395	27,949	512,596	(1,331,470)	-							
Disposals	21	-	-	(51,903)	-	-	-	-	(51,903)							
Revaluation - Increments	13	-	-	103	-	-	-	-	103							
Depreciation (Expense)	2(a)	(13,444,529)	(2,381,096)	(3,855,128)	(1,823,470)	(675,890)	(3,558,638)	-	(25,738,751)							
<b>Infrastructure at 30 June 2015</b>		<b>976,224,380</b>	<b>186,207,183</b>	<b>49,386,582</b>	<b>98,726,452</b>	<b>10,382,433</b>	<b>154,548,394</b>	<b>982,608</b>	<b>1,476,458,032</b>							

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 9. Trade and Other Payables

\$	2015 Actual	2014 Actual
<b>Current</b>		
Trade Payables	15,802,722	14,608,092
Bonds and Security Deposits	6,057,083	4,202,616
<b>Total Current Trade and Other Payables</b>	<u><u>21,859,805</u></u>	<u><u>18,810,708</u></u>

#### Note 10. Borrowings

<b>Non-Current</b>		
Secured by Floating Charge - Debentures	23(a) 60,778,188	60,778,188
<b>Total Non-Current Borrowings</b>	<u><u>60,778,188</u></u>	<u><u>60,778,188</u></u>

Additional detail on borrowings is provided in Note 23.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 11. Provisions

\$	2015 Actual	2014 Actual
<b>Current</b>		
Provision for Annual Leave	5,191,998	4,977,822
Provision for Long Service Leave	4,814,791	4,276,737
Provision for Time in Lieu	97,002	84,678
Provision for Sick Leave	247,067	263,618
Provision for Additional Leave Agreement	106,167	109,911
Provision for Workers Compensation	2,960,330	2,160,770
<b>Total Current Provisions</b>	<b><u>13,417,355</u></b>	<b><u>11,873,536</u></b>
<b>Non-Current</b>		
Provision for Long Service Leave	1,330,577	1,411,746
<b>Total Non-Current Provisions</b>	<b><u>1,330,577</u></b>	<b><u>1,411,746</u></b>

#### Movements in Provisions

Class of Provision	2014		2015			
	Opening Balance as at 1/7/14	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	Closing Balance as at 30/6/15
Provision for Annual Leave	4,977,822	4,820,025	(4,605,849)	-	-	5,191,998
Provision for Long Service Leave	5,688,483	1,164,570	(785,751)	78,066	-	6,145,368
Provision for Time in Lieu	84,678	174,245	(161,921)	-	-	97,002
Provision for Sick Leave	263,618	211,488	(228,039)	-	-	247,067
Provision for Additional Leave Agreement	109,911	322,647	(326,391)	-	-	106,167
Provision for Workers Compensation	2,160,770	2,444,959	(1,645,399)	-	-	2,960,330
<b>TOTAL</b>	<b><u>13,285,282</u></b>	<b><u>9,137,934</u></b>	<b><u>(7,753,350)</u></b>	<b><u>78,066</u></b>	<b><u>-</u></b>	<b><u>14,747,932</u></b>



## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 12. Reserves - Cash/Investment Backed

\$	2015 Actual	2015 Budget	2014 Actual
<b>(a). Alkimos/Eglinton Coastal Corridor Community Facilities Reserve</b>			
Opening Balance	4,189,089	3,559,980	2,032,000
Amount Set Aside / Transfer to Reserve	4,221,656	1,558,579	2,157,089
Amount Used / Transfer from Reserve	(17,168)	-	-
	<u>8,393,577</u>	<u>5,118,559</u>	<u>4,189,089</u>
<b>(b). Asset Replacement Reserve</b>			
Opening Balance	5,721,120	5,684,768	5,499,855
Amount Set Aside / Transfer to Reserve	201,780	3,070,543	242,587
Amount Used / Transfer from Reserve	(1,202,917)	(1,278,668)	(21,322)
	<u>4,719,983</u>	<u>7,476,643</u>	<u>5,721,120</u>
<b>(c). Butler Collaborative Planning Agreement Reserve</b>			
Opening Balance	2,694,317	2,683,591	2,598,160
Amount Set Aside / Transfer to Reserve	97,881	80,508	108,157
Amount Used / Transfer from Reserve	-	-	(12,000)
	<u>2,792,198</u>	<u>2,764,099</u>	<u>2,694,317</u>
<b>(d). Carried Forward Capital Projects Reserve</b>			
Opening Balance	-	-	-
Amount Set Aside / Transfer to Reserve	10,011,748	-	-
	<u>10,011,748</u>	<u>-</u>	<u>-</u>
<b>(e). City of Wanneroo Townsite Reserve</b>			
Opening Balance	4,356	4,347	37,925
Amount Set Aside / Transfer to Reserve	-	130	1,431
Amount Used / Transfer from Reserve	(4,356)	(4,477)	(35,000)
	<u>-</u>	<u>-</u>	<u>4,356</u>
<b>(f). Commercial Refuse Reserve</b>			
Opening Balance	2,000,043	1,992,116	1,920,112
Amount Set Aside / Transfer to Reserve	72,647	59,764	79,931
	<u>2,072,690</u>	<u>2,051,880</u>	<u>2,000,043</u>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

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

\$	2015 Actual	2015 Budget	2014 Actual
<b>(g). Commercial Refuse - Plant Replacement Reserve</b>			
Opening Balance	2,214,938	2,206,160	2,126,419
Amount Set Aside / Transfer to Reserve	-	66,185	88,519
Amount Used / Transfer from Reserve	<u>(2,214,938)</u>	<u>(2,272,345)</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>2,214,938</u>
<b>(h). Domestic Refuse Reserve</b>			
Opening Balance	5,679,060	5,577,478	5,472,634
Amount Set Aside / Transfer to Reserve	140,212	1,241,645	227,394
Amount Used / Transfer from Reserve	<u>(475,475)</u>	<u>(3,497,941)</u>	<u>(20,968)</u>
	<u>5,343,797</u>	<u>3,321,182</u>	<u>5,679,060</u>
<b>(i). Domestic Refuse - Plant Replacement Reserve</b>			
Opening Balance	7,995,707	10,789,990	7,689,927
Amount Set Aside / Transfer to Reserve	-	323,700	334,119
Amount Used / Transfer from Reserve	<u>(7,995,707)</u>	<u>(11,113,690)</u>	<u>(28,339)</u>
	<u>-</u>	<u>-</u>	<u>7,995,707</u>
<b>(j). Fleming Park Lake Reserve</b>			
Opening Balance	200,251	199,457	192,248
Amount Set Aside / Transfer to Reserve	7,275	5,984	8,003
	<u>207,526</u>	<u>205,441</u>	<u>200,251</u>
<b>(k). Golf Course Reserve</b>			
Opening Balance	1,112,920	875,407	834,127
Amount Set Aside / Transfer to Reserve	486,005	326,262	478,586
Amount Used / Transfer from Reserve	<u>(337,191)</u>	<u>(496,792)</u>	<u>(199,793)</u>
	<u>1,261,734</u>	<u>704,877</u>	<u>1,112,920</u>
<b>(l). HACC Asset Replacement Reserve</b>			
Opening Balance	471,846	480,831	434,536
Amount Set Aside / Transfer to Reserve	38,152	44,425	37,310
Amount Used / Transfer from Reserve	<u>(3,028)</u>	<u>-</u>	<u>-</u>
	<u>506,970</u>	<u>525,256</u>	<u>471,846</u>

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

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

\$	2015 Actual	2015 Budget	2014 Actual
<b>(m). Heavy Vehicle Replacement Reserve</b>			
Opening Balance	2,651,100	3,557,855	2,735,952
Amount Set Aside / Transfer to Reserve	-	106,736	245,714
Amount Used / Transfer from Reserve	(2,651,100)	(3,664,591)	(330,566)
	<u>-</u>	<u>-</u>	<u>2,651,100</u>
<b>(n). Land Acquisition Reserve</b>			
Opening Balance	1,517,375	1,514,359	1,078,900
Amount Set Aside / Transfer to Reserve	55,124	545,431	543,475
Amount Used / Transfer from Reserve	-	-	(105,000)
	<u>1,572,499</u>	<u>2,059,790</u>	<u>1,517,375</u>
<b>(o). Leave Liability Reserve</b>			
Opening Balance	1,903,881	1,896,533	1,779,791
Amount Set Aside / Transfer to Reserve	69,165	106,896	124,090
Amount Used / Transfer from Reserve	(575,447)	-	-
	<u>1,397,599</u>	<u>2,003,429</u>	<u>1,903,881</u>
<b>(p). Light Vehicle Replacement Reserve</b>			
Opening Balance	2,950,118	2,292,766	2,041,842
Amount Set Aside / Transfer to Reserve	-	68,783	2,077,491
Amount Used / Transfer from Reserve	(2,950,118)	(2,361,549)	(1,169,215)
	<u>-</u>	<u>-</u>	<u>2,950,118</u>
<b>(q). Loan Repayment Reserve</b>			
Opening Balance	10,042,258	8,331,274	8,030,144
Amount Set Aside / Transfer to Reserve	5,531,488	249,939	2,012,114
	<u>15,573,746</u>	<u>8,581,213</u>	<u>10,042,258</u>
<b>(r). Materials Recovery Facility Upgrade Reserve</b>			
Opening Balance	88,174	87,824	84,650
Amount Set Aside / Transfer to Reserve	3,203	2,635	3,524
Amount Used / Transfer from Reserve	-	(90,459)	-
	<u>91,377</u>	<u>-</u>	<u>88,174</u>

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

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

\$	2015 Actual	2015 Budget	2014 Actual
<b>(s). Neerabup Development Reserve</b>			
Opening Balance	3,185,547	2,061,688	2,541,386
Amount Set Aside / Transfer to Reserve	2,703,880	2,561,851	1,127,743
Amount Used / Transfer from Reserve	<u>(244,038)</u>	<u>(3,385,000)</u>	<u>(483,582)</u>
	<u>5,645,389</u>	<u>1,238,539</u>	<u>3,185,547</u>
<b>(t). Plant Replacement Reserve</b>			
Opening Balance	-	421,296	130,022
Amount Set Aside / Transfer to Reserve	12,755,724	14,012,804	73,957
Amount Used / Transfer from Reserve	<u>(9,193,298)</u>	<u>(14,283,801)</u>	<u>(203,979)</u>
	<u>3,562,426</u>	<u>150,299</u>	<u>-</u>
<b>(u). Quinns Rocks Caravan Park Reserve</b>			
Opening Balance	-	-	139,515
Amount Set Aside / Transfer to Reserve	-	-	4,543
Amount Used / Transfer from Reserve	<u>-</u>	<u>-</u>	<u>(144,058)</u>
	<u>-</u>	<u>-</u>	<u>-</u>
<b>(v). Resource Recovery Domestic Refuse Reserve</b>			
Opening Balance	1,693,540	1,686,828	1,625,858
Amount Set Aside / Transfer to Reserve	-	50,605	67,682
Amount Used / Transfer from Reserve	<u>(1,693,540)</u>	<u>(1,737,433)</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>1,693,540</u>
<b>(w). Section 152 Reserve (formerly Section 20A Land Reserve)</b>			
Opening Balance	182,609	181,885	175,311
Amount Set Aside / Transfer to Reserve	<u>1,316,924</u>	<u>5,457</u>	<u>7,298</u>
	<u>1,499,533</u>	<u>187,342</u>	<u>182,609</u>
<b>(x). Strategic Projects / Initiatives Reserve</b>			
Opening Balance	57,262,167	47,165,913	44,651,835
Amount Set Aside / Transfer to Reserve	26,659,459	13,609,522	15,555,003
Amount Used / Transfer from Reserve	<u>(2,761,464)</u>	<u>(6,495,291)</u>	<u>(2,944,671)</u>
	<u>81,160,162</u>	<u>54,280,144</u>	<u>57,262,167</u>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

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

\$	2015 Actual	2015 Budget	2014 Actual
<b>(y). Sustainability Investment Reserve</b> (formerly Environmental Initiatives Reserve)			
Opening Balance	118,766	95,144	43,512
Amount Set Aside / Transfer to Reserve	81,036	52,854	75,254
Amount Used / Transfer from Reserve	(79,070)	(79,070)	-
	<u>120,732</u>	<u>68,928</u>	<u>118,766</u>
<b>(z). TPS 20 - District Distributor Road Headworks Reserve</b>			
Opening Balance	6,163,701	6,139,280	5,917,378
Amount Set Aside / Transfer to Reserve	223,913	184,178	246,323
	<u>6,387,614</u>	<u>6,323,458</u>	<u>6,163,701</u>
<b>(aa). Yanchep Bus Reserve</b>			
Opening Balance	161,724	160,734	150,105
Amount Set Aside / Transfer to Reserve	10,681	9,822	11,619
	<u>172,405</u>	<u>170,556</u>	<u>161,724</u>
<b>(ab). Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve</b>			
Opening Balance	626,589	1,103,805	183,750
Amount Set Aside / Transfer to Reserve	769,618	946,278	442,839
Amount Used / Transfer from Reserve	(373,226)	(460,000)	-
	<u>1,022,981</u>	<u>1,590,083</u>	<u>626,589</u>
<b>Total Reserves</b>	<u><u>153,516,686</u></u>	<u><u>98,821,718</u></u>	<u><u>120,831,196</u></u>

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

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

\$	2015 Actual	2015 Budget	2014 Actual
<b>Summary of Reserve Transfers</b>			
<b>Transfers to Reserves</b>			
Alkimos/Eglinton Coastal Corridor Community Facilities Reserve	4,221,656	1,558,579	2,157,089
Asset Replacement Reserve	201,780	3,070,543	242,587
Butler Collaborative Planning Agreement Reserve	97,881	80,508	108,157
Carried Forward Capital Projects Reserve	10,011,748	-	-
City of Wanneroo Townsite Reserve	-	130	1,431
Commercial Refuse Reserve	72,647	59,764	79,931
Commercial Refuse - Plant Replacement Reserve	-	66,185	88,519
Domestic Refuse Reserve	140,212	1,241,645	227,394
Domestic Refuse - Plant Replacement Reserve	-	323,700	334,119
Fleming Park Lake Reserve	7,275	5,984	8,003
Golf Course Reserve	486,005	326,262	478,586
HACC Asset Replacement Reserve	38,152	44,425	37,310
Heavy Vehicle Replacement Reserve	-	106,736	245,714
Land Acquisition Reserve	55,124	545,431	543,475
Leave Liability Reserve	69,165	106,896	124,090
Light Vehicle Replacement Reserve	-	68,783	2,077,491
Loan Repayment Reserve	5,531,488	249,939	2,012,114
Materials Recovery Facility Upgrade Reserve	3,203	2,635	3,524
Neerabup Development Reserve	2,703,880	2,561,851	1,127,743
Plant Replacement Reserve	12,755,724	14,012,804	73,957
Quinns Rocks Caravan Park Reserve	-	-	4,543
Resource Recovery Domestic Refuse Reserve	-	50,605	67,682
Section 152 Reserve (formerly Section 20A Land Reserve)	1,316,924	5,457	7,298
Strategic Projects / Initiatives Reserve	26,659,459	13,609,522	15,555,003
Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)	81,036	52,854	75,254
TPS 20 - District Distributor Road Headworks Reserve	223,913	184,178	246,323
Yanchep Bus Reserve	10,681	9,822	11,619
Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve	769,618	946,278	442,839
<b>Total Transfers to Reserves</b>	<b>65,457,571</b>	<b>39,291,516</b>	<b>26,381,795</b>

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

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

\$	2015 Actual	2015 Budget	2014 Actual
<b>Transfers from Reserves</b>			
Alkimos/Eglinton Coastal Corridor Community Facilities Reserve	(17,168)	-	-
Asset Replacement Reserve	(1,202,917)	(1,278,668)	(21,322)
Butler Collaborative Planning Agreement Reserve	-	-	(12,000)
City of Wanneroo Townsite Reserve	(4,356)	(4,477)	(35,000)
Commercial Refuse - Plant Replacement Reserve	(2,214,938)	(2,272,345)	-
Domestic Refuse Reserve	(475,475)	(3,497,941)	(20,968)
Domestic Refuse - Plant Replacement Reserve	(7,995,707)	(11,113,690)	(28,339)
Golf Course Reserve	(337,191)	(496,792)	(199,793)
HACC Asset Replacement Reserve	(3,028)	-	-
Heavy Vehicle Replacement Reserve	(2,651,100)	(3,664,591)	(330,566)
Land Acquisition Reserve	-	-	(105,000)
Leave Liability Reserve	(575,447)	-	-
Light Vehicle Replacement Reserve	(2,950,118)	(2,361,549)	(1,169,215)
Materials Recovery Facility Upgrade Reserve	-	(90,459)	-
Neerabup Development Reserve	(244,038)	(3,385,000)	(483,582)
Plant Replacement Reserve	(9,193,298)	(14,283,801)	(203,979)
Quinns Rocks Caravan Park Reserve	-	-	(144,058)
Resource Recovery Domestic Refuse Reserve	(1,693,540)	(1,737,433)	-
Strategic Projects / Initiatives Reserve	(2,761,464)	(6,495,291)	(2,944,671)
Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)	(79,070)	(79,070)	-
Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve	(373,226)	(460,000)	-
<b>Total Transfers from Reserves</b>	<b><u>(32,772,081)</u></b>	<b><u>(51,221,107)</u></b>	<b><u>(5,698,493)</u></b>
<b>Total Net Transfer to/(from) Reserves</b>	<b><u>32,685,490</u></b>	<b><u>(11,929,591)</u></b>	<b><u>20,683,302</u></b>

All of the cash backed reserve accounts 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 account, the purpose for which the reserves are set aside are as follows:

#### **Alkimos/Eglinton Coastal Corridor Community Facilities Reserve**

To be used for the purpose of accumulating Developer Contributions for the capital funding of community facilities and associated costs related To the administration and implementation of the Developer Contribution Plan in the Alkimos/Eglinton Development Contribution Area.

#### **Asset Replacement Reserve**

To be used for the purpose of receiving the proceeds of the sale of significant property assets. Funds held are to be used in acquiring new or replacement assets for the City.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

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

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##### **Butler Collaborative Planning Agreement Reserve**

For the purpose of meeting future maintenance costs of infrastructure in Stage 1, Brighton Estate, Butler as established in the Butler Collaborative Planning Agreement and any such other related expenditure as from time to time be approved by an absolute majority of council provided such expenditure shall be within the Brighton Estate.

##### **Carried Forward Capital Projects Reserve**

For the accumulation of funds to support the Municipally funded carried forward capital works.

##### **City of Wanneroo Townsite Reserve**

To be used for the redevelopment of the new townsite. Purpose included the building of the new Civic Building for the City of Wanneroo as well as landscape works associated with the new Civic Building. In addition the reserve was used to re-construct Dundobar Road, by reducing the height some 5 metres.

##### **Commercial Refuse Reserve**

To be used for additional requirements specifically needed for the provision of the commercial refuse collection service.

##### **Commercial Refuse - Plant Replacement Reserve**

To be used to provide vehicles, plant and equipment used specifically for the provision of the commercial refuse collection service.

##### **Domestic Refuse Reserve**

To be used for additional requirements specifically needed for the provision of the domestic collection service.

##### **Domestic Refuse - Plant Replacement Reserve**

To be used to provide vehicles, plant and equipment used specifically for the provision of the domestic refuse collection service.

##### **Fleming Park Lake Reserve**

For the purpose of holding funds provided by developer for the upkeep and maintenance of the Fleming Park Lake.

##### **Golf Course Reserve**

To be used for the capital improvement of the Carramar and Marangaroo Golf Courses.

##### **HACC Asset Replacement Reserve**

To be used to replace Council's assets where the funding of the original asset was from Home and Community Care program (HACC). This is a requirement of the operating funding agreement with HACC.

##### **Heavy Vehicle Replacement Reserve**

To be used to replace Council's fleet of heavy vehicles.

##### **Land Acquisition Reserve**

For the purpose of purchasing municipal land for road and drainage purposes.



## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

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

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##### **Leave Liability Reserve**

The purpose of this reserve is to cash back the liability of the City for long service leave and annual leave.

##### **Light Vehicle Replacement Reserve**

To be used to replace Council's fleet of light vehicles.

##### **Loan Repayment Reserve**

To set aside adequate funds over time to repay loan commitments per the City's Long Term Financial Management Plans debt management policy.

##### **Materials Recovery Facility Upgrade Reserve**

Funds contributed by the Cities of Swan, Joondalup and Wanneroo set aside for the refitting of the Materials Recovery Facility. This reserve operates under a service agreement between the Cities of Wanneroo, Joondalup and Swan. The deficiency of funding will be contributed by equal share by the three Cities, should budgeted capital projects proceed.

##### **Neerabup Development Reserve**

For the purpose of meeting the associated cost of developing the City's investment land in Neerabup.

##### **Plant Replacement Reserve**

To be used to replace Council's plant and equipment.

##### **Quinns Rocks Caravan Park Reserve**

To be used to provide improvements to the Quinns Rocks Caravan Park.

##### **Resource Recovery Domestic Refuse Reserve**

For the purpose of off-setting expected increases in domestic refuse charges when the Resource Recovery Facility comes on stream.

##### **Section 152 Reserve (formerly Section 20A Land Reserve)**

To be used for capital improvements on recreation reserves in the general locality from which funds were sourced.

##### **Strategic Projects / Initiatives Reserve**

For the purpose of accumulating funds to be used for the introduction of new or upgrade of existing services, maintenance, renewal, upgrade of existing assets and purchase of new assets or project works of the City over an expected period of 10 years. The annual funds transfer is derived from the rate setting surplus less municipal funding of capital works carried forward.

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

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

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##### **Sustainability Investment Reserve (formerly Environmental Initiatives Reserve)**

To be used for the provision of funding future costs associated with environmental needs and initiatives.

##### **TPS 20 - District Distributor Road Headworks Reserve**

To be used for the construction of District Distribution Roads associated with Town Planning Scheme 20.

##### **Yanchep Bus Reserve**

For the accumulation of funds from the Yanchep community for the costs associated with the replacement of the community bus.

##### **Yanchep/Two Rocks Coastal Corridor Community Facilities Reserve**

To be used for the purpose of accumulating Developer Contributions for the capital funding of community facilities and associated costs related to the administration and implementation of the Developer Contribution Plan in the Yanchep/Two Rocks Development Contribution Area.

The majority of the reserves are not expected to be used within a set period as further transfers to the reserve accounts are expected as funds are utilised.

A limit has been placed upon the funds to be transferred to the Domestic and Commercial Waste Reserves. Where a transfer to these Reserves would result in a balance that is greater than the requirements of the first five years of the City's Ten Year Strategic Financial Management Plan no additional funds will be set aside.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 13. Reserves - Asset Revaluation

\$	Notes	2015 Actual	2014 Actual
Asset revaluation reserves have arisen on revaluation of the following classes of assets:			
<b>(a). Land</b>			
Revaluation Increment	7(b)	321,428,173	-
		<b>321,428,173</b>	<b>-</b>
<b>(b). Buildings</b>			
Revaluation Increment	7(b)	82,686,540	-
		<b>82,686,540</b>	<b>-</b>
<b>(c). Artworks</b>			
Opening Balance		246,092	246,092
		<b>246,092</b>	<b>246,092</b>
<b>(d). Equity Accounted Investments</b>			
Opening Balance		936,755	936,561
Revaluation Increment	17(a)(ii)	-	194
		<b>936,755</b>	<b>936,755</b>
<b>(e). Infrastructure</b>			
Opening Balance		565,602,254	-
Revaluation Increment	8(b)	103	565,602,254
		<b>565,602,357</b>	<b>565,602,254</b>
<b>Total Asset Revaluation Reserves</b>		<b>970,899,917</b>	<b>566,785,101</b>

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 14. Notes to the Statement of Cash flows

\$	Notes	2015 Actual	2015 Budget	2014 Actual
<b>(a). Reconciliation of Cash</b>				
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>302,529,381</u>	<u>198,098,924</u>	<u>257,579,236</u>
<b>(b). Reconciliation of Net Cash Provided By Operating Activities to Net Result</b>				
Net Result		103,442,355	52,937,908	101,599,078
Depreciation		37,294,753	32,050,000	30,094,147
Fair Value Adjustment to Other Financial Assets at Fair Value		-	-	288,260
(Profit)/Loss on Sale of Assets		(6,676,386)	(2,900,000)	(4,642,656)
Share of Net (Profits) of Associates		(316,648)	-	(746,701)
Impairment of Assets		(2)	-	(112,426)
Town Planning Scheme Income (Inc. Interest)		(27,781,399)	(22,946,125)	(25,662,903)
Town Planning Scheme Expenses		2,521,538	15,902,000	3,748,041
Decrease/(Increase) in Receivables		240,347	-	761,261
Decrease/(Increase) in Provision for Doubtful Debts		190,578	-	418,316
Decrease/(Increase) in Inventories		(27,870)	-	16,365
Increase/(Decrease) in Payables & Accruals		3,049,097	(50,000)	(574,264)
Increase/(Decrease) in Other Provisions		1,462,650	50,000	764,218
Grants/Contributions for the Development of Assets		(63,946,455)	(42,972,750)	(67,234,517)
<b>Net Cash from Operating Activities</b>		<u>49,452,558</u>	<u>32,071,033</u>	<u>38,716,219</u>
<b>(c). Undrawn Borrowing Facilities Credit Standby Arrangements</b>				
Bank Overdraft Limit		1,000,000	1,000,000	1,000,000
Bank Overdraft at Balance Date		-	-	-
Credit Card Limit		50,000	50,000	62,000
Credit Card Balance at Balance Date		(17,824)	-	(12,178)
<b>Total Amount of Credit Unused</b>		<u>1,032,176</u>	<u>1,050,000</u>	<u>1,049,822</u>
<b>Loan Facilities</b>				
Loan Facilities - Non-Current	10	60,778,188	60,778,188	60,778,188
<b>Total Facilities in Use at Balance Date</b>		<u>60,778,188</u>	<u>60,778,188</u>	<u>60,778,188</u>

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 15. Contingent Liabilities

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The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

#### **LIABILITIES NOT RECOGNISED:**

##### **(i) Guarantees**

a) In line with the other equity holders in the Mindarie Regional Council (MRC) the City has accepted the contingent liability resulting from the provision of an irrevocable financial guarantee on behalf of Mindarie Regional Council (MRC) for its contractual liability to the Contractor undertaking the development of the Resource Recovery Facility. The extent of the City's contingent liability is proportional and several (not joint and several) and is limited to 1/6 of any subsequent payment to the Contractor. The maximum amount that may be payable by the City under the Guarantee is 1/6 of \$163.9m amounting to \$27.3m. The term of the guarantee is 20 years unless the MRC liability under the agreement with the contractor is fully extinguished earlier. This guarantee expires on 15 July 2019.

b) The City compulsorily acquired a portion of land at Lot 3 (185) Mary Street Wanneroo under the Land City's valuation (expert and legal advice) is in the vicinity of \$1,239,000, however the claimants' claim for compensation is \$2,150,000. The City has paid \$1,156,850 on 24 August 2012 yet the claimant is pursuing their claim. The matter has been mediated without resolution and will be scheduled for hearing in the Supreme Court. Subject to the decision of the Supreme Court, the City could be liable to pay the claimant the difference between what the City has already paid and the amount the claimant has claimed.

c) The City compulsorily acquired a portion of land at Lot 6 (359) Gnangara Road Wangara under the Land Administration Act 1997 (WA) on 3 November 2010. The City's valuation (expert and legal advice) is in the vicinity of \$1,623,000 however the claimants' claim for compensation is \$5,110,600. The City has been paid \$1,460,790 on 29 July 2011 yet the claimant has been pursuing their claim. The matter has been mediated without resolution and will be scheduled for hearing in the Supreme Court. Subject to the decision of the Supreme Court, the City could be liable to pay the claimant the difference between what the City has already paid and the amount the claimant has claimed.

##### **(ii) Bank Guarantees**

The City of Wanneroo currently holds bank guarantees of \$28,218,132 (2014: \$20,334,232) with respect to commercial customers and property developers.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 16. Capital and Leasing Commitments

\$	2015 Actual	2014 Actual
<b>Capital Expenditure Commitments</b>		
<b>Contracted for:</b>		
- Land and Building Works	5,483,222	4,932,923
- Engineering Works	6,526,920	2,907,876
- Parks Works	272,450	122,575
- Plant & Equipment Purchases	2,827,855	3,854,685
<b>Total Capital Expenditure Commitments</b>	<b><u>15,110,447</u></b>	<b><u>11,818,059</u></b>
<b>Payable:</b>		
- not later than one year	15,110,447	11,818,059
<b>Total Capital Expenditure Commitments</b>	<b><u>15,110,447</u></b>	<b><u>11,818,059</u></b>

The capital expenditure project outstanding at the end of the current reporting period represents the construction of the new recreation centre.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 17. Equity Accounted Investments

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##### (a). Tamala Park Regional Council

The City of Wanneroo, along with the City of Perth, City of Joondalup, City of Stirling, City of Vincent, Town of Cambridge and Town of Victoria Park is a member of the Tamala Park Regional Council. The establishment of the Tamala Park Regional Council was pursuant to Section 3.61 of the Local Government Act. The Tamala Park Regional Council formally came into existence on the 3 February 2006. The Tamala Park Regional Council's activities will centre around the development of Mindarie lot 9504 on Deposit Plan 52070. Lot 9504 (subdivided from Lot 118) was initially purchased in 1981 to provide a refuse landfill site for member councils of the Mindarie Regional Council, this lot is now being developed with a purpose of creating a new urban land development and a new urban community. The City of Wanneroo will contribute one sixth of any funding required for capital or operating costs.

\$	2015 Actual	2014 Actual
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##### (i) Retained surplus attributable to equity accounted investments

Balance at beginning of the financial year	58,513	30,543
Share of Profit/(Loss) from activity after tax	84,279	27,970
<b>Balance at end of the financial year</b>	<b>142,792</b>	<b>58,513</b>

##### (ii) Carrying amount of equity accounted investments

Balance at beginning of the financial year	7,071,097	4,668,925
Share of profit/(loss) from activity after tax	84,279	27,970
Share of Revaluation of Assets	-	194
Distribution to participants	(5,166,666)	(1,666,665)
Movement in Capital Contributions	6,027,002	4,040,673
<b>Balance at end of the financial year</b>	<b>8,015,712</b>	<b>7,071,097</b>

The City's interest in the regional council as at 30 June 2015 and 30 June 2014 is as follows:

<b>Interest in Regional Council as at 30 June.</b>	<b>8,015,712</b>	<b>7,071,097</b>
Current Assets	7,741,619	6,858,078
Non-Current Assets	328,354	326,383
<b>Total Assets</b>	<b>8,069,973</b>	<b>7,184,461</b>
Current Liabilities	(49,106)	(110,654)
Non-Current Liabilities	(5,155)	(2,710)
<b>Total Liabilities</b>	<b>(54,261)</b>	<b>(113,364)</b>
<b>Net Assets</b>	<b>8,015,712</b>	<b>7,071,097</b>

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 17. Equity Accounted Investments (continued)

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##### (b). Mindarie Regional Council

The City of Wanneroo, along with the City of Perth, City of Joondalup, City of Stirling, City of Vincent, Town of Cambridge and Town of Victoria Park is a member of the Mindarie Regional Council. The Mindarie Regional Council's objective is to establish and operate a long term refuse disposal site on Mindarie Lot 9504 on Deposit Plan 52070. The City of Wanneroo has contributed one sixth of the land and establishment costs of the refuse disposal facility. The City uses the refuse disposal facility at Mindarie to deposit all non recyclable waste collected by the City's domestic and commercial waste services. Capital contributions paid during establishment are represented in the accounts of the City of Wanneroo as a Non- Current Asset.

	2015 Actual	2014 Actual
<b>(i) Retained surplus attributable to equity accounted investments</b>		
Balance at beginning of the financial year	4,640,833	3,922,102
Share of Profit/(Loss) from activity after tax	232,369	718,731
<b>Balance at end of the financial year</b>	<b>4,873,202</b>	<b>4,640,833</b>
<b>(ii) Carrying amount of equity accounted investments</b>		
Balance at beginning of the financial year	6,110,746	5,352,307
Share of profit/(loss) from activity after tax	232,369	718,731
Movement in Capital Contributions	42,126	39,708
<b>Balance at end of the financial year</b>	<b>6,385,241</b>	<b>6,110,746</b>
The City's interest in the regional council as at 30 June 2015 and 30 June 2014 is as follows:		
<b>Interest in Regional Council as at 30 June.</b>	<b>6,385,241</b>	<b>6,110,746</b>
Current Assets	5,347,303	4,576,077
Non-Current Assets	6,790,321	7,554,130
<b>Total Assets</b>	<b>12,137,624</b>	<b>12,130,207</b>
Current Liabilities	(1,083,240)	(1,425,805)
Non-Current Liabilities	(4,669,143)	(4,593,656)
<b>Total Liabilities</b>	<b>(5,752,383)</b>	<b>(6,019,461)</b>
<b>Net Assets</b>	<b>6,385,241</b>	<b>6,110,746</b>
<b>Total Carry Amount- Equity Accounted Investments</b>	<b>14,400,953</b>	<b>13,181,843</b>



## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 18. Trust Funds

\$	Balance 1-Jul-14	Amounts Received	Amounts Paid	Balance 30-Jun-15
Miscellaneous/Appeals	61,874	10,603	(17,224)	55,253
Public Open Space	2,422,752	309,435	-	2,732,187
	<u>2,484,626</u>	<u>320,038</u>	<u>(17,224)</u>	<u>2,787,440</u>

#### Note 19. Total Assets Classified by Function and Activity

\$	2015 Actual	2014 Actual
Governance	37,537,586	20,331,681
Law, Order, Public Safety	772,095	760,031
Health	1,403,608	170,000
Education & Welfare	2,595,034	465,639
Community Amenities	55,840,689	10,140,931
Recreation & Culture	400,714,421	315,408,172
Transport	1,279,593,013	1,183,232,641
Economic Services	614,660	622,108
Other Property & Services	242,674,882	19,203,295
Unallocated (Assets other than Fixed Assets)	342,939,913	302,282,485
	<u>2,364,685,901</u>	<u>1,852,616,983</u>

#### Note 20. Acquisition of Assets

\$	2015 Actual	2015 Budget
<b><u>By Class</u></b>		
<i>Property, Plant &amp; Equipment</i>	7(b)	
- Buildings	3,223,750	21,743,822
- Furniture and Equipment	2,663,381	7,718,730
- Plant and Equipment	12,343,276	15,746,055
- Works in Progress	1,140,663	-
<i>Infrastructure</i>	8(b)	
- Roads	47,416,414	44,421,586
- Drainage	7,388,042	5,622,011
- Other Infrastructure	3,871,399	599,000
- Pathways	5,287,110	3,135,732
- Car Parks	1,349,004	-
- Reserves	11,851,318	18,703,475
- Works in Progress	991,395	-
	<u>97,525,752</u>	<u>117,690,411</u>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 20. Acquisition of Assets (continued)

\$	2015 Actual	2015 Budget
The City received assets to the value of \$53,528,065 from developers. The value of these assets is included in the above. The value of the assets by Class are as follows:		
<i>Property, Plant &amp; Equipment</i>		
- Furniture and Equipment	298,341	-
- Plant and Equipment	424,653	-
<i>Infrastructure</i>		
- Roads	32,600,821	16,800,000
- Drainage	6,222,635	3,600,000
- Other Infrastructure	1,515,763	7,800,000
- Pathways	4,336,709	1,800,000
- Reserves	8,129,143	-
	<b>53,528,065</b>	<b>30,000,000</b>

## 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.							
<b>By Program</b>							
Governance		11,419	-	-	-	(11,419)	-
Education and Welfare		5,875	-	-	-	(5,875)	-
Community Amenities		10,251	-	200,101	-	189,849	-
Recreation and Culture		92,574	-	1,400,000	-	1,307,426	-
Economic Services		132,322	-	-	-	(132,322)	-
Transport		5,804,826	2,074,921	11,133,553	4,974,921	5,328,727	2,900,000
		<b>6,057,267</b>	<b>2,074,921</b>	<b>12,733,654</b>	<b>4,974,921</b>	<b>6,676,386</b>	<b>2,900,000</b>
<b>By Class</b>							
<i>Land Held for Resale</i>		4,599,033	-	11,694,989	2,900,000	7,095,956	2,900,000
<i>Property, Plant &amp; Equipment</i>	7(b)						
Land		-	-	(82,043)	-	(82,043)	-
Buildings		148,906	-	-	-	(148,906)	-
Furniture and Equipment		52,411	-	-	-	(52,411)	-
Plant and Equipment		1,205,014	2,074,921	1,120,707	2,074,921	(84,307)	-
Other Infrastructure		51,903	-	-	-	(51,903)	-
<b>Total</b>		<b>6,057,267</b>	<b>2,074,921</b>	<b>12,733,653</b>	<b>4,974,921</b>	<b>6,676,386</b>	<b>2,900,000</b>

\$	2015 Actual	2015 Budget	2014 Actual
<b>Summary</b>			
Profit on Asset Disposals	7,095,956	2,900,000	4,780,007
Loss on Asset Disposals	(419,570)	-	(137,351)
<b>Net Profit/(Loss) on Disposal of Assets</b>	<b>6,676,386</b>	<b>2,900,000</b>	<b>4,642,656</b>

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 22. Financial Ratios

\$	Indicator 2015	Prior Periods 2014      2013	
<i>Liquidity Ratio</i>			
<b>1. Current Ratio</b> <sup>(1)</sup>			
<u>Current Assets less Restricted Current Assets</u>	<b>0.85 : 1</b>	1.30 : 1	1.20 : 1
Current Liabilities less Liabilities Associated with Restricted Assets			
<i>Debt Ratio</i>			
<b>2. Debt Service Cover Ratio</b> <sup>(2)</sup>			
<u>Operating Surplus before Interest and Depreciation Exp</u>	<b>21.74 : 1</b>	18.48 : 1	13.47 : 1
Principal and Interest Repayments			
<i>Coverage Ratio</i>			
<b>3. Own Source Revenue Coverage Ratio</b> <sup>(3)</sup>			
<u>Own Source Operating Revenue</u>	<b>1.14 : 1</b>	1.17:1	1.03:1
Operating Expense			
<i>Financial Performance Ratio</i>			
<b>4. Operating Surplus Ratio</b> <sup>(4)</sup>			
<u>Operating Revenue less Operating Expense</u>	<b>0.21 : 1</b>	0.19:1	0.10:1
Own Source Operating Revenue			
<i>Asset Management Ratios</i>			
<b>5. Asset Consumption Ratio</b> <sup>(5)</sup>			
<u>Depreciated Replacement Cost of Depreciable Assets</u>	<b>0.84 : 1</b>	0.82:1	0.82:1
Current Replacement Cost of Depreciable Assets			
<b>6. Asset Sustainability Ratio</b> <sup>(6)</sup>			
<u>Capital Renewal and Replacement Expenditure</u>	<b>0.31 : 1</b>	0.16:1	0.15:1
Depreciation Expense			
<b>7. Asset Renewal Funding Ratio</b> <sup>(7)</sup>			
<u>NPV of Planned Capital Renewals over 10 years</u>	<b>0.74 : 1</b>	0.76:1	0.82:1
NPV of Required Capital Expenditure over 10 years			

#### 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 Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 23. Information on Borrowings

	Principal 1-Jul-14		Principal 30-Jun-15		Interest Repayments	
	Actual	Budget	Actual	Budget	Actual	Budget
\$						
<b>(a). Loan Repayments</b>						
<b>Recreation &amp; Culture</b>						
- Wanneroo Regional Museum and Library	10,416,178	10,416,178	10,416,178	10,416,178	632,262	632,262
- Construct Community Centre - Butler	278,000	278,000	278,000	278,000	16,875	16,875
- Develop Accessible and Inclusive Playground	222,000	222,000	222,000	222,000	13,475	13,475
- Kingsway Regional Sporting Complex	19,462,861	19,462,861	19,462,861	19,462,861	1,181,396	1,181,396
- Upgrade Aquamation	7,926,000	7,926,000	7,926,000	7,926,000	481,108	481,108
- Yanchep District Playing Fields	56,460	56,460	56,460	56,460	3,427	3,427
- Yanchep Districts Sports Amenities	164,210	164,210	164,210	164,210	9,968	9,968
- Yanchep Lagoon	3,917,072	3,917,072	3,917,072	3,917,072	237,766	237,766
- Yanchep SLSC	6,200,000	6,200,000	6,200,000	6,200,000	376,340	376,340
- Southern Suburbs Library	5,899,642	5,899,642	5,899,642	5,899,642	358,108	358,108
<b>Transport</b>						
- Pinjar Road - Wanneroo and Carosa Road	728,849	728,849	728,849	728,849	44,241	44,241
- Upgrade Rocca Way Dundobar Road	10,280	10,280	10,280	10,280	624	624
- Flynn Drive Neerabup - Construct Road	886,882	886,882	886,882	886,882	53,834	53,834
<b>Other Property &amp; Services</b>						
- Develop Industrial Estate - Neerabup	317,887	317,887	317,887	317,887	19,296	19,296
- Redevelop Wanneroo Townsite	1,214,615	1,214,615	1,214,615	1,214,615	73,727	73,727
- Redevelop Koondoola Precinct	2,000	2,000	2,000	2,000	121	121
- Develop Wangara Industrial Area (Lot 257)	530,000	530,000	530,000	530,000	32,171	32,171
- Develop Wangara Industrial Area (Lot 15)	2,543,452	2,543,452	2,543,452	2,543,452	154,388	154,388
- Lot 12 Fowey Loop	1,800	1,800	1,800	1,800	109	109
	<b>60,778,188</b>	<b>60,778,188</b>	<b>60,778,188</b>	<b>60,778,188</b>	<b>3,689,236</b>	<b>3,689,236</b>

Interest on unspent loans funds is recorded as an expense to General Purpose Funding. The interest amounts by each program will not necessarily equal the amounts shown within each program in the Statement of Comprehensive Income by Program.

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 23. Information on Borrowings (continued)

##### (b). New Debentures

Council issued no debentures nor did it increase long term borrowings in 2014/2015 year.

	Date Borrowed	Balance 1-Jul-14	Borrowed During Year	Expended During Year	Balance 30-Jun-15
<b>(c). Unspent Loans</b>					
<b>Recreation &amp; Culture</b>					
Kingsway Regional Sporting Complex	1 Dec 2006	2,756,639	-	(2,147,074)	609,565
Yanchep Lagoon	1 Nov 2010	2,071,774	-	(1,837,013)	234,761
Yanchep SLSC	1 Nov 2010	5,982,565	-	(382,564)	5,600,001
Southern Suburbs Library	1 Dec 2006	5,899,642	-	-	5,899,642
<b>Transport</b>					
Upgrade Rocca Way Dundobar Road	1 Dec 2006	530,000	-	(44,435)	485,565
Flynn Drive Neerabup - Construct Road	1 Dec 2006	500,000	-	(500,000)	-
<b>Other Property &amp; Services</b>					
Develop Wangara Industrial Area (Lot 15)	1 Dec 2006	2,020,373	-	(24,715)	1,995,658
		<b>19,760,993</b>	<b>-</b>	<b>(4,935,801)</b>	<b>14,825,192</b>

##### (d). Overdraft

The City operates separate bank accounts for the each of its Town Planning Schemes and Structure plans as recorded in Note 14. In addition to these bank accounts, the City uses four operating bank accounts, the Municipal Fund, Advance Account, Reserve Account and Trust Fund. The grouped total of these limits is \$1,000,000 and no overdraft was required as at 30 June 2014 or 2015.

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 24(a). Rating Information (2014/15 Financial Year)

	Rate in \$	Number of Properties	Rateable Value	Rate Revenue	Interim Rates	Back Rates	Total Revenue	Budget	Budget	Budget	Budget	
								Rate Revenue	Interim Rate	Back Rate	Total Revenue	
<b>Rate Type</b>												
<b>Differential General Rate</b>												
GRV - Residential Improved	7.1662	44,722	947,501,736	67,899,871	2,308,397	-	70,208,268	67,275,746	3,400,000	-	-	70,675,746
GRV - Residential Vacant	9.3950	3,167	62,252,325	5,848,610	234,296	-	6,082,906	5,624,794	-	-	-	5,624,794
GRV - Commercial Improved	6.5300	526	120,221,790	7,850,483	439,735	-	8,290,218	7,771,341	-	-	-	7,771,341
GRV - Commercial Vacant	5.6640	32	2,520,882	142,783	56,585	-	199,368	154,446	-	-	-	154,446
GRV - Industrial Improved	5.3700	1,693	143,760,969	7,719,964	579,641	-	8,299,605	7,669,363	-	-	-	7,669,363
GRV - Industrial Vacant	4.7000	125	8,392,443	394,445	46,256	-	440,701	398,487	-	-	-	398,487
GRV - Caravan and Park Home Parks	7.1662	-	-	-	-	-	-	40,863	-	-	-	40,863
UV - Residential Improved	0.3375	402	365,288,044	1,232,847	3,131	-	1,235,978	1,211,720	-	-	-	1,211,720
UV - Residential Vacant	0.4388	155	627,270,000	2,752,461	265,756	-	3,018,217	3,355,091	-	-	-	3,355,091
UV - Commercial Improved	0.2631	37	72,512,042	190,779	70,350	-	261,129	182,386	-	-	-	182,386
UV - Commercial Vacant	0.2873	3	7,070,000	20,312	718	-	21,030	16,951	-	-	-	16,951
UV - Industrial Improved	0.2498	32	116,830,000	291,841	(13,739)	-	278,102	293,640	-	-	-	293,640
UV - Industrial Vacant	0.2833	16	67,950,000	192,502	4,832	-	197,334	182,729	-	-	-	182,729
UV - Rural and Mining Improved	0.3311	409	585,675,467	1,939,171	(73,913)	-	1,865,258	1,917,782	-	-	-	1,917,782
UV - Rural and Mining Vacant	0.3440	102	92,225,000	317,254	(1,976)	-	315,278	322,861	-	-	-	322,861
<b>Sub-Total</b>		<b>51,421</b>	<b>3,219,470,698</b>	<b>96,793,323</b>	<b>3,920,069</b>	<b>-</b>	<b>100,713,392</b>	<b>96,418,200</b>	<b>3,400,000</b>	<b>-</b>	<b>-</b>	<b>99,818,200</b>

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 24(a). Rating Information (2014/15 Financial Year)

	Notes	Number of Properties	Rateable Value	Rate Revenue	Interim Rates	Back Rates	Total Revenue	Budget	Budget	Budget	Budget
								Rate Revenue	Interim Rate	Back Rate	Total Revenue
<b>Minimum Rates</b>											
GRV - Residential Improved	1,205	14,370	216,735,594	17,315,850	-	-	17,315,850	17,396,585	-	-	17,396,585
GRV - Residential Vacant	630	2,684	14,108,776	1,690,920	-	-	1,690,920	1,707,930	-	-	1,707,930
GRV - Commercial Improved	1,183	60	806,584	70,980	-	-	70,980	70,980	-	-	70,980
GRV - Commercial Vacant	1,183	8	85,490	9,464	-	-	9,464	9,464	-	-	9,464
GRV - Industrial Improved	1,183	480	8,049,664	567,840	-	-	567,840	597,415	-	-	597,415
GRV - Industrial Improved - Lesser Minimum Strata	591	48	138,023	28,368	-	-	28,368	28,368	-	-	28,368
GRV - Industrial Vacant	1,183	19	364,650	22,477	-	-	22,477	23,660	-	-	23,660
UV - Residential Improved	1,205	8	2,533,113	9,640	-	-	9,640	9,640	-	-	9,640
UV - Residential Vacant	630	-	-	-	-	-	-	-	-	-	-
UV - Commercial Improved	1,183	7	1,934,000	8,281	-	-	8,281	5,915	-	-	5,915
UV - Commercial Vacant	1,183	-	-	-	-	-	-	-	-	-	-
UV - Industrial Improved	1,183	1	1,000	1,183	-	-	1,183	1,183	-	-	1,183
UV - Industrial Vacant	1,183	-	-	-	-	-	-	-	-	-	-
UV - Rural and Mining Improved	1,193	3	941,334	3,579	-	-	3,579	3,579	-	-	3,579
UV - Rural and Mining Vacant	802	33	206,200	26,466	-	-	26,466	26,466	-	-	26,466
<b>Sub-Total</b>		<b>17,721</b>	<b>245,904,428</b>	<b>19,755,048</b>	<b>-</b>	<b>-</b>	<b>19,755,048</b>	<b>19,881,185</b>	<b>-</b>	<b>-</b>	<b>19,881,185</b>
Ex Gratia Rates							20,726				20,000
<b>Totals</b>							<b>120,489,166</b>				<b>119,719,385</b>

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 25. Discounts, Incentives, Concessions & Write-offs (2014/15 Financial Year)

\$	Type	Disc %	Total Cost / Value	Budget Cost / Value
<b>(a) Discounts</b>				
<b>Details</b>				
Debts Written Off	W/Off		14,840	-
Community Groups Rates Waiver	Waiver		74,001	43,650
			<u>88,841</u>	<u>43,650</u>

With regard to waivers, Council agreed, in accordance with Section 6.47 of the Local Government Act 1995, to waive the 2014/2015 Council Rates (excluding Emergency Services Levy) for land leased by the City to the following community groups:

- AJS Motorcycle Club of WA Inc.
- Kingsway Football & Sporting Club Inc.
- Kingsway Olympic Sports Club
- Quinns Mindarie Surf Lifesaving Club Inc.
- Quinns Rocks Sports Club
- Tiger Kart Club Inc.
- Wanneroo Agricultural Society
- Wanneroo BMX Club
- Wanneroo City Soccer Club Inc.
- Wanneroo Districts Cricket Club Inc.
- Wanneroo Districts Cricket Club Inc. & Wanneroo Districts Hockey Association Inc.
- Wanneroo Districts Netball Association
- Wanneroo Districts Rugby Union Football Club Inc.
- Wanneroo Horse & Pony Club
- Pinjar Motorcycle Park Inc.
- Wanneroo Racing Pigeon Club
- Wanneroo Shooting Complex Inc.
- Wanneroo Sports & Social Club
- Wanneroo Trotting & Training Club Inc.
- Yanchep Golf Club
- Yanchep Sports Club Inc.
- Yanchep Surf Lifesaving Club Inc.

The circumstances in which the waiver is granted to sporting clubs is when Council believes financial support is warranted. The objective is improving the clubs' financial viability in order to assist with the fostering of good health in the community.



## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 26. Interest Charges and Instalments (2014/15 Financial Year)

\$	Interest Rate %	Admin. Charge	Revenue	Budgeted Revenue
Interest on Unpaid Rates	8.45%	-	1,144,652	1,000,000
Interest on Instalments Plan	5.50%	-	562,548	520,000
			<b>1,707,200</b>	<b>1,520,000</b>
Charges on Instalment Plan			341,191	330,000
			<b>2,048,391</b>	<b>1,850,000</b>

An interest rate of 8.45% (2014: 8.45%) was charged on all rates, both current and arrears, that remain unpaid after 35 days from the issue date of the rate notice. Three option plans were available to ratepayers for payment of their rates.

##### Option 1 (Full Payment)

Full amount of rates and charges, including arrears, to be paid on or before 35 days from the issue date appearing on the rate notice.

##### Option 2 (Two instalments)

First instalment to be received on or before 35 days after the issue date appearing on the rate notice, including all arrears and half of the current rates and service charges. The second and final instalment becomes due and payable 63 days after the due date of the first instalment.

##### Option 3 (Four instalments)

First instalment to be received on or before 35 days after the issue date appearing on the rate notice, including all arrears and a quarter of the current rates and service charges. The second, third and fourth instalments are to be made at 63 day intervals, thereafter.

##### Cost of the instalment Options

The cost of the instalment options will comprise simple interest of 5.5% (2014: 5.5%) per annum, calculated from the date of the first instalment is due and payable, together with an administration fee of \$5.00 (2014: \$5.00) for each instalment, excluding the first.

##### Special Arrangements and Late Payment Penalty

In addition to the late payment interest of 8.45%, an administration fee of \$25.00 (2014: \$25.00) per assessment is charged to any ratepayers wishing to enter into special payment agreements with the City.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 27. Fees & Charges

\$	2015 Actual	2015 Budget	2014 Actual
Governance	27,849	26,763	14,430
General Purpose Funding	168,483	500,000	532,003
Law, Order, Public Safety	781,206	511,400	722,976
Health	279,897	274,746	246,105
Education and Welfare	360,053	420,261	341,889
Community Amenities	6,337,963	9,418,961	10,411,909
Recreation and Culture	7,405,809	7,357,188	7,332,910
Transport	1,179,705	768,500	900,985
Economic Services	3,184,635	3,248,106	2,743,008
Other Property and Services	347,043	11,553	5,708
	<b>20,072,643</b>	<b>22,537,478</b>	<b>23,251,923</b>

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

#### Note 28. Grants, Subsidies & Contributions

\$	2015 Actual	2014 Actual
Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:		
<b>(a). By Nature &amp; Type</b>		
Operating Grants, Subsidies and Contributions	15,906,857	9,416,693
Non-Operating Grants, Subsidies and Contributions	63,946,455	67,234,517
	<b>79,853,312</b>	<b>76,651,210</b>
<b>(b). By Program</b>		
Governance	242,277	232,315
General Purpose Funding	9,669,782	3,273,834
Law, Order, Public Safety	370,727	409,518
Health	129,559	211,363
Education & Welfare	4,170,599	3,885,784
Community Amenities	82,245	516,140
Recreation & Culture	11,619,816	7,397,262
Transport	48,877,376	58,026,440
Economic Services	8,151	10,603
Other Property & Services	4,682,780	2,687,951
	<b>79,853,312</b>	<b>76,651,210</b>

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 29. Employee Numbers

\$	2015 Actual	2014 Actual	2013 Actual
The number of full-time equivalent employees at balance date	853	848	839

#### Note 30. Councillor Remuneration

\$	2015 Actual	2015 Budget	2014 Actual
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees	477,782	478,950	441,965
Mayor's Allowance	87,338	87,550	84,012
Deputy Mayor's Allowance	21,834	21,888	21,003
Travelling Expenses	20,625	103,862	25,958
Telecommunications Allowance	52,500	52,500	52,920
	<b>660,079</b>	<b>744,750</b>	<b>625,858</b>

#### Note 31. Employee Costs

\$	2015 Actual	2014 Actual
Wages and Salaries	59,110,710	56,123,895
Superannuation	6,309,249	5,910,712
Fringe Benefits Tax	391,992	340,080
Conference and Training	624,541	561,836
Employee Rehabilitation Expenses	8,212	5,692
Workers' Compensation Insurance	2,295,808	1,834,605
Protective Clothing & Uniforms	343,783	435,764
Staff Amenities (Milk/Tea/Coffee)	51,016	52,569
<b>Total Employee Costs</b>	<b>69,135,311</b>	<b>65,265,153</b>
less: Capitalised Costs	(1,174,424)	(1,061,007)
	<b>67,960,887</b>	<b>64,204,146</b>

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 32. Major Land Transactions

##### (a) Town Planning Schemes

The City's major land transactions incorporated in the 2014/2015 Financial Report relate to its role in Town Planning and Regional Development. In addition to its involvement with the Cities of Perth, Stirling and Joondalup and the Towns of Cambridge, Vincent and Victoria Park with Lot 17 Mindarie, the City has Town Planning Schemes and Development Areas in Operation:

Development Area	Locality
- Town Planning Scheme No 5 - Landsdale	- Landsdale
- East Wanneroo Development Area Cells 1-9	- East Wanneroo
- Berkley Road Local Structure Plan	- Marangaroo/Alexander Heights
- Neerabup Development	- Neerabup

##### i) Town Planning Scheme No 5 - Landsdale

An industrial zone guided development which was gazetted in June 1973. The total area of the scheme is about 100 hectares (ha). The western sectors comprising 47 ha is identified as Stage 1 and it was fully subdivided and developed in accordance with the scheme map several years ago.

The eastern sector of 53 ha known as Stage 2 is either low lying land comprising 2 ha parcels along Gnangara Road or an operating sand pit on two larger lots. Subdivision and development of this sector is entirely at the discretion of the individual land owners. It appears unlikely that there will be any subdivision or development undertaken in this sector in the short term.

\$	2015 Actual	2015 Budget	2014 Actual
<b>Operating Income</b>			
Interest on Investments	23,040	20,855	25,343
	<b>23,040</b>	<b>20,855</b>	<b>25,343</b>
<b>Total</b>	<b>23,040</b>	<b>20,855</b>	<b>25,343</b>

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 32. Major Land Transactions (continued)

\$	2015 Actual	2015 Budget	2014 Actual
<b>Financial Position</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent Assets	657,530	643,508	634,490
<b>Total Current Assets</b>	<b>657,530</b>	<b>643,508</b>	<b>634,490</b>
<b>TOTAL ASSETS</b>	<b>657,530</b>	<b>643,508</b>	<b>634,490</b>
<b>Net Assets</b>	<b>657,530</b>	<b>643,508</b>	<b>634,490</b>
<b>EQUITY</b>			
Accumulated Surplus	657,530	643,508	634,490
<b>Total Equity</b>	<b>657,530</b>	<b>643,508</b>	<b>634,490</b>

#### East Wanneroo Development Area - Cells 1 - 9

The East Wanneroo Cells 1-10 provide for the development of the area generally east of Wanneroo Road between Hepburn Avenue and Flynn Drive. It will provide for residential, industrial and commercial subdivision/development to complement existing pockets of those land uses within the scheme area.

The area consists of 10 cells, which provide for regional infrastructure including public open space and regional roads. The format, structure and funding aspects are subject to ongoing review. The costing mechanisms are yet to be finalised for Cell 9.

#### ii) East Wanneroo Development Area - Cell 1

\$	2015 Actual	2015 Budget	2014 Actual
<b>Operating Income</b>			
Headworks Levy	1,017,296	1,000,000	826,737
Interest on Investments	939,590	822,745	1,000,384
	<b>1,956,886</b>	<b>1,822,745</b>	<b>1,827,121</b>
<b>Operating Expense</b>			
Compensation Payments - Public Open Space	(50,454)	(602,000)	-
Consulting Fees	(1,550)	(1,000)	-
Legal Fees	(80)	(2,000)	-
Administration Allocation	(8,584)	(23,000)	(13,703)
	<b>(60,668)</b>	<b>(628,000)</b>	<b>(13,703)</b>
<b>Net Result</b>	<b>1,896,218</b>	<b>1,194,745</b>	<b>1,813,418</b>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 32. Major Land Transactions (continued)

\$	2015 Actual	2015 Budget	2014 Actual
<b>Financial Position</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent Assets	27,085,428	26,824,203	25,189,210
<b>Total Current Assets</b>	<b>27,085,428</b>	<b>26,824,203</b>	<b>25,189,210</b>
<b>TOTAL ASSETS</b>	<b>27,085,428</b>	<b>26,824,203</b>	<b>25,189,210</b>
<b>LIABILITIES</b>			
Nil			
<b>Net Assets</b>	<b>27,085,428</b>	<b>26,824,203</b>	<b>25,189,210</b>
<b>EQUITY</b>			
Accumulated Surplus	27,085,428	26,824,203	25,189,210
<b>Total Equity</b>	<b>27,085,428</b>	<b>26,824,203</b>	<b>25,189,210</b>

## (iii) East Wanneroo Development Area - Cell 2

\$	2015 Actual	2015 Budget	2014 Actual
<b>Operating Income</b>			
Headworks Levy	259,140	250,000	219,258
Interest on Investments	208,685	176,756	215,173
	<b>467,825</b>	<b>426,756</b>	<b>434,431</b>
<b>Operating Expense</b>			
Compensation Payments - Public Open Space	-	(5,000)	-
Consulting Fees	(1,550)	(2,000)	-
Legal Fees	(80)	(1,000)	-
Administration Allocation	(8,584)	(23,000)	(6,851)
	<b>(10,214)</b>	<b>(31,000)</b>	<b>(6,851)</b>
<b>Net Result</b>	<b>457,611</b>	<b>395,756</b>	<b>427,580</b>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 32. Major Land Transactions (continued)

\$	2015 Actual	2015 Budget	2014 Actual
<b>Financial Position</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent Assets	5,949,859	6,083,796	5,492,248
<b>Total Current Assets</b>	<b>5,949,859</b>	<b>6,083,796</b>	<b>5,492,248</b>
<b>TOTAL ASSETS</b>	<b>5,949,859</b>	<b>6,083,796</b>	<b>5,492,248</b>
<b>LIABILITIES</b>			
Nil			
<b>Net Assets</b>	<b>5,949,859</b>	<b>6,083,796</b>	<b>5,492,248</b>
<b>EQUITY</b>			
Accumulated Surplus	5,949,859	6,083,796	5,492,248
<b>Total Equity</b>	<b>5,949,859</b>	<b>6,083,796</b>	<b>5,492,248</b>

## (iv) East Wanneroo Development Area - Cell 3

\$	2015 Actual	2015 Budget	2014 Actual
<b>Operating Income</b>			
Development Headworks Levy	-	30,000	-
Interest on Investments	50,100	45,488	55,277
	<b>50,100</b>	<b>75,488</b>	<b>55,277</b>
<b>Operating Expense</b>			
Consulting Fees	(1,550)	(2,000)	-
Compensation Payments - Road Reserves	-	(130,000)	-
Legal Fees	-	(5,000)	-
Administration Allocation	(3,433)	(23,000)	(3,426)
	<b>(4,983)</b>	<b>(160,000)</b>	<b>(3,426)</b>
<b>Net Result</b>	<b>45,117</b>	<b>(84,512)</b>	<b>51,851</b>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 32. Major Land Transactions (continued)

\$	2015 Actual	2015 Budget	2014 Actual
<b>Financial Position</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent Assets	1,425,062	1,186,021	1,379,945
<b>Total Current Assets</b>	<b>1,425,062</b>	<b>1,186,021</b>	<b>1,379,945</b>
<b>TOTAL ASSETS</b>	<b>1,425,062</b>	<b>1,186,021</b>	<b>1,379,945</b>
<b>LIABILITIES</b>			
Nil			
<b>Net Assets</b>	<b>1,425,062</b>	<b>1,186,021</b>	<b>1,379,945</b>
<b>EQUITY</b>			
Accumulated Surplus	1,425,062	1,186,021	1,379,945
<b>Total Equity</b>	<b>1,425,062</b>	<b>1,186,021</b>	<b>1,379,945</b>

## (v) East Wanneroo Development Area - Cell 4

\$	2015 Actual	2015 Budget	2014 Actual
<b>Operating Income</b>			
Development Headworks Levy	2,944,340	7,500,000	3,522,460
Interest on Investments	564,157	535,289	642,853
	<b>3,508,497</b>	<b>8,035,289</b>	<b>4,165,313</b>
<b>Operating Expense</b>			
Compensation Payments - Public Open Space	-	(7,705,000)	(125,019)
Construction Costs	(2,832,065)	(6,300,000)	(5,164,460)
Consulting Fees	(11,740)	(2,000)	(5,327)
Contract Expenses	-	-	(8,101)
Legal Fees	(82,564)	(50,000)	(34,891)
Administration Allocation	(17,168)	(23,000)	(20,554)
	<b>(2,943,537)</b>	<b>(14,080,000)</b>	<b>(5,358,352)</b>
<b>Net Result</b>	<b>564,960</b>	<b>(6,044,711)</b>	<b>(1,193,039)</b>



## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 32. Major Land Transactions (continued)

\$	2015 Actual	2015 Budget	2014 Actual
<b>Financial Position</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent Assets	14,626,388	6,359,932	14,057,578
<b>Total Current Assets</b>	<b>14,626,388</b>	<b>6,359,932</b>	<b>14,057,578</b>
<b>TOTAL ASSETS</b>	<b>14,626,388</b>	<b>6,359,932</b>	<b>14,057,578</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	(3,850)	-	-
<b>Total Current Liabilities</b>	<b>(3,850)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>3,850</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>14,622,538</b>	<b>6,359,932</b>	<b>14,057,578</b>
<b>EQUITY</b>			
Accumulated Surplus	14,622,538	6,359,932	14,057,578
<b>Total Equity</b>	<b>14,622,538</b>	<b>6,359,932</b>	<b>14,057,578</b>

## (vi) East Wanneroo Development Area - Cell 5

\$	2015 Actual	2015 Budget	2014 Actual
<b>Operating Income</b>			
Development Headworks Levy	5,123,958	1,500,000	123,636
Construction Costs Reimbursement	-	-	29,875
Interest on Investments	285,589	252,852	307,284
	<b>5,409,547</b>	<b>1,752,852</b>	<b>460,795</b>
<b>Operating Expense</b>			
Compensation Payments - Public Open Spaces	(1,702,758)	(3,505,000)	-
Legal Fees	(105,127)	(50,000)	(28,999)
Contract Expenses	-	-	(1,068)
Consulting Fees	(16,538)	(20,000)	(9,295)
Administration Allocation	(17,168)	(23,000)	(25,693)
	<b>(1,841,591)</b>	<b>(3,598,000)</b>	<b>(65,055)</b>
<b>Net Result</b>	<b>3,567,956</b>	<b>(1,845,148)</b>	<b>395,740</b>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 32. Major Land Transactions (continued)

\$	2015 Actual	2015 Budget	2014 Actual
<b>Financial Position</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent Assets	11,542,102	3,505,617	7,693,241
<b>Total Current Assets</b>	<b>11,542,102</b>	<b>3,505,617</b>	<b>7,693,241</b>
<b>TOTAL ASSETS</b>	<b>11,542,102</b>	<b>3,505,617</b>	<b>7,693,241</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	(280,905)	-	-
<b>Total Current Liabilities</b>	<b>(280,905)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>(280,905)</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>11,261,197</b>	<b>3,505,617</b>	<b>7,693,241</b>
<b>EQUITY</b>			
Accumulated Surplus	11,261,197	3,505,617	7,693,241
<b>Total Equity</b>	<b>11,261,197</b>	<b>3,505,617</b>	<b>7,693,241</b>

## (vii) East Wanneroo Development Area - Cell 6

\$	2015 Actual	2015 Budget	2014 Actual
<b>Operating Income</b>			
Development Headworks Levy	2,739,331	2,150,000	1,971,953
Interest on Investments	852,758	715,919	823,040
	<b>3,592,089</b>	<b>2,865,919</b>	<b>2,794,993</b>
<b>Operating Expense</b>			
Legal Fees	(6,006)	(2,000)	-
Construction Costs	(3,606)	(225,000)	-
Consulting Fees	(1,550)	(2,000)	-
Compensation Payments - Road Reserves	-	(5,000)	(216,630)
Administration Allocation	(13,734)	(23,000)	(17,128)
	<b>(24,896)</b>	<b>(257,000)</b>	<b>(233,758)</b>
<b>Net Result</b>	<b>3,567,193</b>	<b>2,608,919</b>	<b>2,561,235</b>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 32. Major Land Transactions (continued)

\$	2015 Actual	2015 Budget	2014 Actual
<b>Financial Position</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent Assets	25,857,156	24,827,705	22,289,871
<b>Total Current Assets</b>	<b>25,857,156</b>	<b>24,827,705</b>	<b>22,289,871</b>
<b>TOTAL ASSETS</b>	<b>25,857,156</b>	<b>24,827,705</b>	<b>22,289,871</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	(92)	-	-
<b>Total Current Liabilities</b>	<b>(92)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>(92)</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>25,857,064</b>	<b>24,827,705</b>	<b>22,289,871</b>
<b>EQUITY</b>			
Accumulated Surplus	25,857,064	24,827,705	22,289,871
<b>Total Equity</b>	<b>25,857,064</b>	<b>24,827,705</b>	<b>22,289,871</b>

## (viii) East Wanneroo Development Area - Cell 7

\$	2015 Actual	2015 Budget	2014 Actual
<b>Operating Income</b>			
Development Headworks Levy	1,883,707	1,000,000	-
Interest on Investments	111,909	87,917	106,813
	<b>1,995,616</b>	<b>1,087,917</b>	<b>106,813</b>
<b>Operating Expense</b>			
Compensation Payments - Road Reserves	-	(2,010,000)	-
Legal Fees	-	(1,000)	-
Construction Costs	(3,515)	(225,000)	-
Consulting Fees	(1,550)	(2,000)	-
Administration Allocation	(17,168)	(23,000)	(23,980)
	<b>(22,233)</b>	<b>(2,261,000)</b>	<b>(23,980)</b>
<b>Net Result</b>	<b>1,973,383</b>	<b>(1,173,083)</b>	<b>82,833</b>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 32. Major Land Transactions (continued)

\$	2015 Actual	2015 Budget	2014 Actual
<b>Financial Position</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent Assets	4,629,349	992,061	2,655,966
<b>Total Current Assets</b>	<b>4,629,349</b>	<b>992,061</b>	<b>2,655,966</b>
<b>TOTAL ASSETS</b>	<b>4,629,349</b>	<b>992,061</b>	<b>2,655,966</b>
<b>LIABILITIES</b>			
Nil			
<b>Net Assets</b>	<b>4,629,349</b>	<b>992,061</b>	<b>2,655,966</b>
<b>EQUITY</b>			
Accumulated Surplus	4,629,349	992,061	2,655,966
<b>Total Equity</b>	<b>4,629,349</b>	<b>992,061</b>	<b>2,655,966</b>

## (ix) East Wanneroo Development Area - Cell 8

\$	2015 Actual	2015 Budget	2014 Actual
<b>Operating Income</b>			
Development Headworks Levy	1,812,299	500,000	2,077,644
Construction Costs Reimbursement	-	-	2,423,154
Interest on Investments	67,568	52,659	66,365
	<b>1,879,867</b>	<b>552,659</b>	<b>4,567,163</b>
<b>Operating Expense</b>			
Compensation Payments - Road Reserves	-	(1,405,000)	-
Legal Fees	(109,474)	(50,000)	(39,206)
Contract Expenses	-	-	(2,887)
Consulting Fees	(26,237)	(20,000)	(9,296)
Administration Allocation	(25,752)	(23,000)	(13,703)
	<b>(161,463)</b>	<b>(1,498,000)</b>	<b>(65,092)</b>
<b>Net Result</b>	<b>1,718,404</b>	<b>(945,341)</b>	<b>4,502,071</b>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 32. Major Land Transactions (continued)

\$	2015 Actual	2015 Budget	2014 Actual
<b>Financial Position</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent Assets	3,153,878	(2,644,825)	1,416,129
<b>Total Current Assets</b>	<b>3,153,878</b>	<b>(2,644,825)</b>	<b>1,416,129</b>
<b>TOTAL ASSETS</b>	<b>3,153,878</b>	<b>(2,644,825)</b>	<b>1,416,129</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	(19,345)	-	-
<b>Total Current Liabilities</b>	<b>(19,345)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>(19,345)</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>3,134,533</b>	<b>(2,644,825)</b>	<b>1,416,129</b>
<b>EQUITY</b>			
Accumulated Surplus	3,134,533	(2,644,825)	1,416,129
<b>Total Equity</b>	<b>3,134,533</b>	<b>(2,644,825)</b>	<b>1,416,129</b>

**(x) East Wanneroo Development Area - Cell 9**

\$	2015 Actual	2015 Budget	2014 Actual
<b>Operating Income</b>			
Development Headworks Levy	8,197,370	6,000,000	13,314,000
Interest on Investments	550,288	160,646	208,073
	<b>8,747,658</b>	<b>6,160,646</b>	<b>13,522,073</b>
<b>Operating Expense</b>			
Advertising	(2,021)	-	-
Legal Fees	-	(5,000)	-
Contract Expenses	(51,325)	-	(2,076)
Construction Costs - Municipal Transfer	-	-	(1,032,924)
Compensation Payments - Road Reserves	(201,236)	(5,000)	(3,102,524)
Administration Allocation	(25,752)	(23,000)	(23,980)
	<b>(280,334)</b>	<b>(33,000)</b>	<b>(4,161,504)</b>
<b>Net Result</b>	<b>8,467,324</b>	<b>6,127,646</b>	<b>9,360,569</b>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 32. Major Land Transactions (continued)

\$	2015 Actual	2015 Budget	2014 Actual
<b>Financial Position</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent Assets	19,359,923	11,938,073	10,890,578
<b>Total Current Assets</b>	<b>19,359,923</b>	<b>11,938,073</b>	<b>10,890,578</b>
<b>TOTAL ASSETS</b>	<b>19,359,923</b>	<b>11,938,073</b>	<b>10,890,578</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	(2,021)	-	-
<b>Total Current Liabilities</b>	<b>(2,021)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>(2,021)</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>19,357,902</b>	<b>11,938,073</b>	<b>10,890,578</b>
<b>EQUITY</b>			
Accumulated Surplus	19,357,902	11,938,073	10,890,578
<b>Total Equity</b>	<b>19,357,902</b>	<b>11,938,073</b>	<b>10,890,578</b>

**(xi) Berkley Road Local Structure Plan**

The Berkley Road Local Structure Plan rationalises the drainage sumps, road system and open space requirements for the residential development of the area. All subdividing landowners in the area pay a development headworks levy to the City and those funds are used to compensate those owners who actually provide the drainage, regional road and open space sites.

\$	2015 Actual	2015 Budget	2014 Actual
<b>Operating Income</b>			
Development Headworks Levy	16,125	16,125	-
Interest on Investments	101,590	92,198	112,041
	<b>117,715</b>	<b>108,323</b>	<b>112,041</b>
<b>Operating Expense</b>			
Compensation Payments	-	(50,000)	-
Consulting Fees	(3,678)	(5,000)	-
Administration Allocation	-	(23,000)	(8,564)
	<b>(3,678)</b>	<b>(78,000)</b>	<b>(8,564)</b>
<b>Net Result</b>	<b>114,037</b>	<b>30,323</b>	<b>103,477</b>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 32. Major Land Transactions (continued)

\$	2015 Actual	2015 Budget	2014 Actual
<b>Financial Position</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent Assets	2,909,439	2,787,701	2,795,402
<b>Total Current Assets</b>	<b>2,909,439</b>	<b>2,787,701</b>	<b>2,795,402</b>
<b>TOTAL ASSETS</b>	<b>2,909,439</b>	<b>2,787,701</b>	<b>2,795,402</b>
<b>LIABILITIES</b>			
Nil			
<b>Net Assets</b>	<b>2,909,439</b>	<b>2,787,701</b>	<b>2,795,402</b>
<b>EQUITY</b>			
Accumulated Surplus	2,909,439	2,787,701	2,795,402
<b>Total Equity</b>	<b>2,909,439</b>	<b>2,787,701</b>	<b>2,795,402</b>

**Neerabup Development**

The Neerabup Industrial Area Structure Plan No 17 is designed to provide for the industrial development contained within an area bounded by Wanneroo Road, Flynn Drive, Old Yanchep Road and Wattle Avenue. This industrial area will be a major employment centre for the North West residential corridor.

The format, structure and environmental aspects are being finalised for the ongoing development of the area. All landowners in the area will pay an infrastructure development contribution to the City for the provision of the shared infrastructure to service the industrial area.

\$	2015 Actual	2015 Budget	2014 Actual
<b>Operating Income</b>			
Interest on Investments	32,552	36,676	44,570
	<b>32,552</b>	<b>36,676</b>	<b>44,570</b>
<b>Operating Expense</b>			
Construction Costs	(4,591,585)	(3,378,467)	-
Administration Allocation	-	(23,000)	(5,139)
	<b>(4,591,585)</b>	<b>(3,401,467)</b>	<b>(5,139)</b>
<b>Total</b>	<b>(4,559,033)</b>	<b>(3,364,791)</b>	<b>39,431</b>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 32. Major Land Transactions (continued)

\$	2015 Actual	2015 Budget	2014 Actual
<b>Financial Position</b>			
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalent Assets	-	(3,675,378)	1,110,090
<b>Total Current Assets</b>	<b>-</b>	<b>(3,675,378)</b>	<b>1,110,090</b>
<b>TOTAL ASSETS</b>	<b>-</b>	<b>(3,675,378)</b>	<b>1,110,090</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	3,448,943	-	-
<b>Total Current Liabilities</b>	<b>3,448,943</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>	<b>3,448,943</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>(3,448,943)</b>	<b>(3,675,378)</b>	<b>1,110,090</b>
<b>EQUITY</b>			
Accumulated Surplus	(3,448,943)	(3,675,378)	1,110,090
<b>Total Equity/(Deficiency)</b>	<b>(3,448,943)</b>	<b>(3,675,378)</b>	<b>1,110,090</b>
<b>Total Equity of Planning/Land Development</b>	<b>113,440,958</b>	<b>78,828,414</b>	<b>95,604,748</b>

## (b). The development and subdivision of part Lot 118 Mindarie. (Tamala Park)

The City of Wanneroo, along with the City of Perth, City of Stirling, City of Joondalup and the Town of Cambridge, City of Vincent and Town of Victoria Park is a member of the Tamala Park Regional Council.

The activities on Tamala Park Regional Council centers around the development of part Lot 118 Mindarie. This lot has been developed during the current and previous financial years with the purposes of creating new urban land lots and a new urban community.

The City of Wanneroo will contribute one sixth of any funding required for capital or operating costs and will also be entitled to one sixth of the revenue from the sale of lots of land.

\$	2015 Actual	2014 Actual
Income from Sales	10,012,845	8,898,594
Development Expenses	(3,915,416)	(4,765,948)
<b>Surplus/(Deficit)</b>	<b>6,097,429</b>	<b>4,132,646</b>



## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 33. Financial Risk Management

\$

Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and 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	
		2015	2014	2015	2014
<b>Financial Assets</b>					
Cash and Cash Equivalents	3	302,529,381	257,579,236	302,529,381	257,579,236
Receivables (Current & Non-Current)	5	22,907,491	23,338,419	22,907,491	23,338,419
		<u>325,436,872</u>	<u>280,917,655</u>	<u>325,436,872</u>	<u>280,917,655</u>
<b>Financial Liabilities</b>					
Payables (Current & Non-Current)	9	21,859,805	18,810,708	21,859,805	18,810,708
Borrowings (Current & Non-Current)	10	60,778,188	60,778,188	60,778,188	60,778,188
		<u>82,637,993</u>	<u>79,588,896</u>	<u>82,637,993</u>	<u>79,588,896</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 Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 33. Financial Risk Management (continued)

\$

##### (a). Cash & Cash Equivalents, Financial Assets "at Fair Value through Profit & Loss", "Available-for-Sale" Financial Assets & "Held-to-Maturity" Investments

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

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-15	30-Jun-14
<b>Impact of a 1% <sup>(1)</sup> movement in interest rates on cash and investments</b>		
Equity	3,254,369	2,575,792
Statement of Comprehensive Income	3,254,369	2,575,792

#### 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 Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 33. Financial Risk Management (continued)

\$

##### (b). Receivables

Council's major receivables comprise Rates & Annual charges and 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. It also encourages ratepayers to pay their rates by the due date through incentives.

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 & annual charges at higher than market rates which further encourages the payment of debt.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

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-15	30-Jun-14
	%	%
<b>Percentage of Rates and Annual Charges</b>		
Current	0.00%	0.00%
Overdue	100.00%	100.00%
<b>Percentage of Other Receivables</b>		
Current	88.52%	89.58%
Overdue	11.48%	10.42%

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 33. 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.

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
<b>2015</b>					
Payables	21,859,805	-	-	21,859,805	21,859,805
Borrowings	3,689,236	14,756,944	84,758,222	103,204,402	60,778,188
	<b>25,549,041</b>	<b>14,756,944</b>	<b>84,758,222</b>	<b>125,064,207</b>	<b>82,637,993</b>
<b>2014</b>					
Payables	18,810,708	-	-	18,810,708	18,810,708
Borrowings	3,689,236	14,756,944	88,447,458	106,893,638	60,778,188
	<b>22,499,944</b>	<b>14,756,944</b>	<b>88,447,458</b>	<b>125,704,346</b>	<b>79,588,896</b>

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & 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-15		30-Jun-14	
	Weighted average interest rate %	Balance \$	Weighted average interest rate %	Balance \$
Bank Loans - Fixed	6.07%	60,778,188	6.07%	60,778,188
		<u>60,778,188</u>		<u>60,778,188</u>

##### Notes:

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

## City of Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 34. Fair Value Measurements

\$

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

- Infrastructure, Property, Plant and Equipment
- 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:

2015	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	
<b>Property, Plant &amp; Equipment</b>					
- Land	30/06/15	-	331,100,384	-	331,100,384
- Buildings	30/06/15	-	-	163,593,445	163,593,445
- Furniture and Equipment	30/06/15	-	-	8,637,008	8,637,008
- Plant and Equipment	30/06/13	-	24,634,105	-	24,634,105
<b>Total Property, Plant &amp; Equipment</b>		-	<b>355,734,489</b>	<b>172,230,453</b>	<b>527,964,942</b>
<b>Infrastructure</b>					
- Reserves	30/06/14	-	-	145,743,118	145,743,118
- Roads	30/06/14	-	-	941,546,322	941,546,322
- Pathways	30/06/14	-	-	95,218,417	95,218,417
- Car Parking	30/06/14	-	-	9,681,370	9,681,370
- Drainage	30/06/14	-	-	181,191,341	181,191,341
- Other Infrastructure	30/06/14	-	-	49,390,650	49,390,650
<b>Total Infrastructure</b>		-	-	<b>1,422,771,218</b>	<b>1,422,771,218</b>

## City of Wanneroo

## Notes to the Financial Statements

for the year ended 30 June 2015

## Note 34. Fair Value Measurements (continued)

\$

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

2014	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	
<b>Property, Plant &amp; Equipment</b>					
- Plant and Equipment	30/06/13	-	4,115,179	-	4,115,179
<b>Total Property, Plant &amp; Equipment</b>		-	4,115,179	-	4,115,179
<b>Infrastructure</b>					
- Reserves	30/06/14	-	-	145,743,118	145,743,118
- Roads	30/06/14	-	-	941,546,322	941,546,322
- Pathways	30/06/14	-	-	95,218,417	95,218,417
- Car Parking	30/06/14	-	-	9,681,370	9,681,370
- Drainage	30/06/14	-	-	181,191,341	181,191,341
- Other Infrastructure	30/06/14	-	-	49,390,650	49,390,650
<b>Total Infrastructure</b>		-	-	1,422,771,218	1,422,771,218

## (2) Transfers between Level 1 &amp; 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 Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 34. Fair Value Measurements (continued)

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##### (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

The City's land was valued by independent valuers. Except in the circumstance of any assets being held for sale (valued in accordance with AASB 5 Assets Held for Sale) or in accordance with specific accounting standards (such as Investment Properties) the balance of the portfolio is valued in accordance with AASB 116 Property Plant and Equipment at Fair Value.

Depending upon the unique circumstances of each lot, land has been valued using a range of approaches. Where there is an active market the 'market approach' has been adopted. If its value is primarily dependent on its income generating capability the income approach was used. For other types of land the 'cost approach' was adopted. Details of each approach are detailed below.

###### Level 2 valuation inputs

Market (Direct Comparison) – This has been applied to land held in freehold title and has been assessed on the basis of the estimated amount which the interest in each property being valued might reasonably be expected to realise on the date of valuation in an exchange between market participants given highest and best use or highest and best alternative use. This was determined by comparison to recent sales of land with similar characteristics. This was then adjusted to reflect condition and comparability. As this was based on observable evidence they have been classified as Level 2.

Cost (Direct Comparison) - The valuation of some restricted or otherwise non-saleable land has been valued using the cost approach. This approach was used where, assuming if City of Wanneroo Council need to purchase the land or acquire additional land from an adjoining neighbour, the value of that land could be determined based on known zoning and town planning restrictions. This was determined by comparison to recent sales of land with similar characteristics. This was then adjusted to reflect condition and comparability. As this was based on observable evidence they have been classified as Level 2.

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 34. Fair Value Measurements (continued)

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\$

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

###### Level 3 valuation inputs

Cost (Hypothetical Analysis) – These were determining the cost approach. However the determination of the replacement cost involved detailed analysis of a hypothetical highest alternative land use. Typically this included estimating the number of potential residential or commercial lots that could be developed on the site. These are observable based on existing Town Planning rules and have been classified as Level 2. The third input is the developer's interest which effectively is the rate of return the developer requires based on the existing market conditions. This requires the valuers to exercise professional judgement and accordingly has been classified as level 3.

Cost (Complex Analysis) – These relate to land which is unique and requires consideration of a range of alternative uses that could be used to maximise the value. Typically these include sites which would enable subdivision into lots with different zonings and uses. They require the extensive exercise of professional judgement and require determination of a range of assumptions.

###### **Buildings**

The City's buildings were valued by independent valuers. The valuation of buildings, structural improvements and site services includes those items that form part of the building services installation (e.g. heating, cooling and climate control equipment, lifts, escalators, fire alarms, sprinklers and fire fighting equipment, and general lighting etc).

Excluded from this report are all items of plant, machinery, equipment, cranes, tools, furniture or chattels.

###### Level 3 valuation inputs

Cost (Depreciated) – These buildings were valued using the cost approach using professionally qualified Registered Valuers.

Under this approach the cost to replace the asset is calculated and then adjusted to take account of an accumulated depreciation. The valuer disaggregated the building into different components and for each component determined a value based on the inter-relationship between a range of factors. These include asset condition, legal and commercial obsolescence and the determination of key depreciation related assumptions such as residual value and the pattern of consumption of the future economic benefit.



## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 34. Fair Value Measurements (continued)

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

###### Plant and Equipment

The City's plant and equipment was valued by Management as at 30 June 2013. Subsequent to the 2013 revaluation the assets are reviewed to ensure that the carry amount does not vary significantly from that determination using fair value at the reporting date.

Valuations were undertaken utilising in-house professional staff referencing market conditions and the availability of sales evidence.

Level 2 valuation inputs have been applied having regard to the condition and the useful life of the asset class.

###### Furniture and Equipment

It was deemed by Management that no material variance exists between the fair value of Furniture and Equipment using level 3 inputs and the carrying cost of this class. It is considered that the value disclosed is fairly stated.

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###### Infrastructure

All the City's infrastructure has been valued at fair value utilising in-house professional Asset Management staff.

All of the City's infrastructure assets were valued using a depreciated cost valuation technique. This method used assets current replacement cost less accumulated depreciation calculated on the basis of such cost to reflect potential of the asset was established then adjusted to take into account the expired service potential of the asset.

The current replacement cost was measured by referencing the lowest cost at which the asset could be obtained in the normal course of business.

The total cost values have been calculated using unit cost rate based on current tender and general market rates.

construction cost and current condition and level 3 inputs being residual values and remaining useful life assessments.

The above techniques and inputs were utilised for all of the following classes:

- Roads
- Drainage
- Pathways
- Car Parks
- Reserves
- Other Infrastructure

## City of Wanneroo

### Notes to the Financial Statements

for the year ended 30 June 2015

#### Note 34. Fair Value Measurements (continued)

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#### (4). Fair value measurements using significant unobservable inputs (Level 3)

a. The following tables present the changes in Level 3 Fair Value Asset Classes.

	Buildings	Reserves	Roads	Pathways	Total
Adoption of AASB 13	-	145,743,118	941,546,322	95,218,417	1,182,507,857
<b>Closing Balance - 30/6/14</b>	<b>-</b>	<b>145,743,118</b>	<b>941,546,322</b>	<b>95,218,417</b>	<b>1,182,507,857</b>
Adoption of AASB 13	163,477,434	-	-	-	163,477,434
Purchases (GBV)	-	12,363,914	48,122,690	5,331,505	65,818,109
Depreciation & Impairment	-	(3,558,638)	(13,444,529)	(1,823,470)	(18,826,637)
<b>Closing Balance - 30/6/15</b>	<b>163,477,434</b>	<b>154,548,394</b>	<b>976,224,483</b>	<b>98,726,452</b>	<b>1,392,976,763</b>

	Drainage	Car Parking	Other Infrastructure	Total
Adoption of AASB 13	181,191,341	9,681,370	49,390,650	240,263,361
<b>Closing Balance - 30/6/14</b>	<b>181,191,341</b>	<b>9,681,370</b>	<b>49,390,650</b>	<b>240,263,361</b>
Purchases (GBV)	7,396,938	1,376,953	3,902,860	12,676,751
Disposals (WDV)	-	-	(51,903)	(51,903)
Depreciation & Impairment	(2,381,096)	(675,890)	(3,855,128)	(6,912,114)
<b>Closing Balance - 30/6/15</b>	<b>186,207,183</b>	<b>10,382,433</b>	<b>49,386,479</b>	<b>245,976,095</b>

#### (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 Wanneroo

### Notes to the Financial Statements for the year ended 30 June 2015

#### Note 35. Events occurring after the Reporting Period

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Events that occur between the end of the reporting period (ending 30 June 2015) 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 26/11/15.

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 2015.

##### **(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 2015 and which are only indicative of conditions that arose after 30 June 2015.

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

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## **Independent Auditor's Report To the Ratepayers of City of Wanneroo**

We have audited the accompanying financial report of City of Wanneroo, which comprises the statement of financial position as at 30 June 2015, and the statement of comprehensive income, statement of changes in equity, statement of cash flows, and rate setting statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information to the financial report and the statement by the Chief Executive Officer.

### **Responsibility of Council for the financial report**

The Council of the City of Wanneroo is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1995. This responsibility includes such internal controls as Council determine are necessary to enable the preparation of the financial report to be free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards which require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

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In making those risk assessments, the auditor considers internal control relevant to the City of Wanneroo's preparation and fair presentation of the financial report 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 of Wanneroo's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Independence**

In conducting our audit, we have complied with the applicable independence requirements of the Accounting Professional and Ethical Standards Board.

### **Auditor's Opinion**

In our opinion, the financial report of the City of Wanneroo:

- i presents fairly, in all material respects, the City of Wanneroo's financial position as at 30 June 2015 and of its performance and cash flows for the year then ended;
- ii complies with Australian Accounting Standards (including the Australian Accounting Interpretations), and
- iii is prepared in accordance with the requirements of the Local Government Act 1995 (as amended) and Regulations under that Act.

### **Other Matter**

I did not, during the course of my audit, become aware of any instance where the Council did not comply with the requirements of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996, as they relate to the financial statements.



GRANT THORNTON AUDIT PTY LTD  
Chartered Accountants



Patrick Warr  
Partner - Audit & Assurance  
Perth, 26 November 2015







**Web Site:**

[www.wanneroo.wa.gov.au](http://www.wanneroo.wa.gov.au)



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