



NOTICE OF MEETING

ANNUAL ELECTORS

Members of Council are advised that an Annual Electors' Meeting will be held in the Tuckey Room, Civic Building, 83 Mandurah Terrace, Mandurah on:

**Monday, 4 February 2019
at 7.00 pm**

MARK R NEWMAN
Chief Executive Officer
23 January 2019

AGENDA

1 OPENING OF MEETING

2 ATTENDANCE / APOLOGIES

3 DISCLAIMER

Mayor to advise the following:

All decisions made at the meeting tonight will be considered at the next practicable Ordinary meeting of Council. As such, any decision made at the meeting tonight could be revoked pursuant to the *Local Government Act*. Therefore, no person should rely on, or act on, the basis of any advice by an Elected Member or officer, or on the content of any discussion occurring during the course of the meeting. No person should rely on any decisions until formal notification in writing by Council has been received.

4 PRESENTATION BY CHIEF EXECUTIVE OFFICER

5 DISCUSSION OF 2017 / 2018 ANNUAL REPORT

Report has been previously provided to Elected Members.

6 GENERAL BUSINESS

7 CLOSE OF MEETING

Annual Report

2017-2018



Contents

City Profile.....	3
City's Role and Vision	4
Message from the Mayor and CEO	6
2017/2018 Performance Highlights.....	7
Plan for the Future	8
External Influences and Challenges	8
Future Highlights	9
Elected Members	10
Council Meeting Attendance	15
Executive Management	16
Organisational Structure	17
Staff Profile	18
About the Annual Report	19
Strategic Direction	20
Key Focus Area – Environment	22
Key Focus Area – Social	28
Key Focus Area – Economic	36
Key Focus Area – Infrastructure	40
Key Focus Area – Identity.....	44
Key Focus Area – Organisational Excellence	50
Service Performance.....	60
Image Credits	62

For detailed 'Financial Statements' please visit www.mandurah.wa.gov.au

Alternate formats of this Annual Report are available upon request including electronic document by email, hard copy in large print, audio on cassette or compact disc.



City Profile

Land area in square kilometres	173.5km ²
Land area in hectares	17,350ha
Coastline	51km
Distance from Perth	72km
Time by car from Perth	50 mins – 1 hr
Time by train from Perth	48 mins
Population (2017)*	84,040
Number of households (2017)* *	34,991
Population per square kilometre**	484.4/km ²
Households per square kilometre**	201.7
Total length of roads	720km approx.
Total length of canal waterways	22km approx.
Number of bridges (including footbridges)	27
Bridges managed by other agencies	12
Paths and boardwalks	575km

Conservation Area – City of Mandurah	63.0933ha
Conservation Area – Other Agencies	3,956.58ha
Foreshore Area – Developed	83.6716ha
Foreshore Area – Natural State	491.6397ha
Recreation – Bushland	447.925ha
Recreation – Used for Recreation	309.5ha
National Parks: Yalgorup, Peel Regional Park, Creery Island, Channel Island	
Parks and Reserves	438
Playgrounds	121

*ABS data

**Source: Forecast ID

City's Role and Vision

The City of Mandurah is proud to acknowledge the Binjareb People of the Bibbulmun Nation as the first people of this land. The name Mandurah is derived from the Binjareb name 'Mandjoogoordap' meaning 'meeting place of the heart'.

Mandurah is indeed a meeting place of land, water, people and culture, the natural and built environment and traditional and modern ideas. The City of Mandurah values this diversity and is ready for the challenges during the current rapid population growth and development.

The City of Mandurah aims to become an organisation that creates and delivers on a vision for the future which strengthens the community's capacity to sustain and improve the quality of life for future generations.

Our vision is to create a place where our community is proud, inspired, inclusive and innovative, where we respect our connections to the past and create a great future.

The City's Strategic Community Plan and operational focus is built on the values of connected, innovation, courage, excellence and integrity.

These values guide the behaviours of our staff and Elected Members while working with our community.

Reconciliation Action Plan

The City's Stretch Reconciliation Action Plan (RAP) was developed in 2018 and will be delivered over three years (2019-2022). The City will continue to use a substantive equality approach to provide opportunities for the Aboriginal community to celebrate culture and language and build and develop strong relationships. The RAP builds on the outcomes that the City achieved in the first two RAPs and brings together the joint aspirations of the City, the RAP Steering Group and Mandurah's Aboriginal community.

Vision

A place where our community is proud, inspired, inclusive and innovative, where we respect our connections to the past and create a great future.

Purpose

To create a vibrant and connected city that supports and improves the community for everyone.

Principles

The City's progress towards its vision and mission will be achieved by working with the following principles:

- Protecting environmental assets for future generations
- Continuous improvement to achieve the best outcomes for the community
- Ensuring social and economic wellbeing

Values

The City's corporate values are: Connected, Integrity, Excellence, Innovation and Courage.

Acknowledgement of Country

The City of Mandurah would like to acknowledge the Binjareb people – the traditional custodians of this land – and pay respect to all Elders, past and present.



Message from the Mayor and CEO

The Annual Report is a time to take stock, to examine whether the City is meeting its objectives as set out in the Strategic Community Plan 2017-2037. In this report you will see that for the most part the City of Mandurah has reached its planned goals for the year.

This year, the City commissioned an independent community perceptions survey run by CATALYSE. The survey was sent to 4,000 randomly selected households, 725 responded. We asked our community how the City of Mandurah was performing across a range of areas including value for money, customer service, leadership, disability access, weekly rubbish collections, conservation and environment. Our results were compared against 27 other WA Local Governments, including nine other regional councils.

The City has been ranked number one among regional councils and placed in the top 33 percent of all WA Councils in areas including:

- Value for money
- Council leadership
- Consultation
- Customer service
- Management of parking

- Weekly rubbish collections
- Planning and building approvals
- Festivals, events, art and cultural activities
- Seniors facilities, services and care
- Disability access
- Conservation and environment

Overall, compared with the last time the same survey was conducted (2015), our ratings have either remained steady or improved. We were particularly strong in rubbish collections, festivals, events, art and cultural activities. Areas the community want us to address, include youth services, facilities and access to education and training opportunities. There was some concern about safety and security, traffic management and how the City Centre is being developed.

Importantly, the survey asked our community how they felt about Mandurah as a place to live. The report found that residents love Mandurah's location, especially its proximity to the ocean and waterways. They also highly value the area's parks, open spaces and natural environment followed by its relaxed lifestyle, cleanliness and friendly community.

We have listened to the community and we will continue to prioritise the issues they feel are important. These priorities include, the preservation of what makes us special – our environment, providing opportunities for our young people and creating a more vibrant and safe city centre.



Marina Vergone
Mayor, City of Mandurah
(October 2013 - October 2017)



Mark Newman
Chief Executive Officer,
City of Mandurah



Rhys Williams
Mayor, City of Mandurah
(October 2017 - Current)

2017 - 2018 Performance Highlights

Environment

- The City was awarded Platinum status in the State Government Waterwise Council program
- The City's property and environmental offset strategies were finalised
- New Fairy Tern sanctuary established

Social

- The City Centre team was created to activate the city centre
- Increased security patrols and CCTV surveillance implemented throughout the City Centre
- The Smart Generation Program focused on early prevention of alcohol abuse
- The City achieved its best results in the community perception survey
- City lobbying paid off with the re-establishment of a Police district office in Mandurah including a District Superintendent and Community Policing Sergeant
- The 2017 Junior Council was active in creating strong awareness and funding around homelessness
- 950,000 visits to the Mandurah Aquatic and Recreation Centre (MARC) and the Halls Head Recreation Centre facilities

Economic

- Mandurah named Top Tourism Town 2018
- Crab Fest again attracted record numbers and won the Gold Award at the WA Tourism Awards
- The City delivered a range of successful events including Crab Fest, Christmas Pageant, New Year's Eve (including fireworks), Children's Festival, Australia Day and Stretch Arts Festival
- The City's entrepreneurial programs continued to grow – 189 participants attended Mumpreneur 101, Start UP, Smart Creative and Power Up
- Sponsorship of Mandurah and Peel Tourism Organisation (MAPTO)

Infrastructure

- Mandurah Bridge opened
- New Lakelands Library and Community Centre opened
- Design of the waterfront project commenced with an extensive community engagement process
- Design and funding arrangements for the Lakelands public open space finalised
- Stage One of Mandjar Square redevelopment completed

Identity

- Activation of the Mandurah Bridge including bespoke lighting
- Acknowledgement of a local legend on a monthly basis
- Reconciliation Action Plan completed
- Dual language signage introduced at a number of parks
- Wearable Art Mandurah attracted entries from around the world

Organisational Excellence

- Business case to replace the City's core system was completed
- New Waste Alliance contract delivers savings of over \$1 million
- The net operating deficit (before depreciation) ahead of target and continues to improve
- Adoption of a new asset management strategy
- Established a new internal audit function
- Implemented an electronic self-service system to manage enterprise risks
- Occupational health and safety outcomes continued to improve with 35 days lost to injury

Plan for the Future

In July 2018, Mayor Rhys Williams put forward a notice of motion to establish a framework for facilitating a City-wide community engagement campaign aimed at establishing a clear, citizen-led vision for Mandurah's future. The findings of this process will be used as a foundation for reviewing the City of Mandurah Strategic Community Plan 2017-2037 and associated strategic priorities.

This project, Mandurah Matters, will engage residents, community groups, investors, landowners, specialist advisory groups and the three tiers of government. Facilitated by the City of Mandurah, our community will be responsible for creating a future vision for Mandurah and building a joint action plan to collectively deliver this vision.

External Influences and Challenges

There is no doubt the City of Mandurah faces challenges in the near and not so distant future.

Mandurah is Western Australia's largest regional city, and it is the 11th largest local government area by population. The population has grown from just over 3,000 in 1966 to more than 84,000 in 2017. The City is expected to reach nearly 120,000 by 2036.

The City has high rates of social disadvantage. Our Socio-Economic Indexes for Areas (SEIFA) rating is the lowest in Greater Perth. In simple terms, what this means is that Mandurah has a relatively high number of households with low incomes.

This is partly a result of the number older people on pensions that live in Mandurah and the fact that we have relatively high unemployment rates. In June 2018, Mandurah's unemployment rate was 8.7 per cent compared to the Western Australian average of 6.1 percent. The City has one of the highest youth unemployment rates in Australia.

Mandurah also has comparatively low Year 12 completions and University enrolments and high levels of disability.

As a result of our rapid population growth and urbanisation, Mandurah faces a range of sustainability challenges including:

- Growing and diversifying the regional economy and creating local jobs
- Improving education and training outcomes
- Preserving the natural environment and waterways
- Ensuring community health and wellbeing, safety and security
- Attracting and retaining young people
- Meeting community infrastructure needs
- Addressing social disadvantage, including affordable and crisis housing needs

We do have challenges, but we also have unique competitive advantages. No other local government area has the natural environment we have, in such close proximity to the huge population base of the Perth metropolitan area.

We are a 'destination' in a way that no other place is in such close proximity to Perth.

Future Highlights

The City strives to achieve the goals set by its community outlined in the Strategic Community Plan 2017-2037. Next year, the Strategic Community Plan 2017-2037 will be further developed by the community visioning project – Mandurah Matters. This project will be launched in October 2018 to establish a clear citizen-led vision for Mandurah's future. Because of this, key projects for 2018/2019 outlined in the Community Plan 2017- 2037 might vary depending on future priorities. At the time of writing the key projects included:

Environment

- Continue implementation of the Biodiversity Strategy
- Maintain effort to reduce the City's carbon footprint
- Implement single use plastic free policy for the City
- Yalgorup National Park – National Heritage Listing Community Engagement Campaign

Social

- Ensure Crime Prevention through Environmental Design principles are front and centre in all design
- Building of social capital through new better neighbourhood strategies
- Further implementation of the Mandurah Active Recreation Strategy

Economic

- Drive the re-focus of the Mandurah and Peel Tourism Organisation (MAPTO) from the greater Peel region to a more Mandurah centric approach
- Continue to partner with the Peel Chamber of Commerce and Industry to support local small businesses
- Activation of the Mandurah City Centre precinct and foreshore
- Further growth and diversification of key events and festivals such as Crab Fest and the Australasian Police & Emergency Services Games
- Continue to work with the Shire of Murray on developing and implementing a new joint economic development strategy

Infrastructure

- Continue the development of the Eastern Foreshore Waterfront Revitalisation Project
- Progress the Dawesville Community Centre Concept Plan
- Continue the upgrading of Novara Foreshore and Falcon Bay

Identity

- Completion of Mandurah Matters visioning project

Organisational excellence

- Continue to progress the core systems project to improve both productivity and customer service through the harnessing of better technology
- Continue to drive the eight strategies to the Workforce Plan to ensure a happy, healthy, motivated and productive staff

Elected Members



Mayor Marina Vergone

Mayor
(October 2013 - October 2017)

- Audit and Risk Committee
- Executive Committee
- Reconciliation Action Plan Steering Group
- South West Regional Road Group
- WALGA: Peel Country Zone
- Waste Management Alliance Board
- Peel Development Commission Board



Mayor Rhys Williams

Councillor
(2009-October 2013)

Mayor
(October 2017 - present)

- Committee of Council
- Audit and Risk Committee
- Strategy Committee
- Public Art Committee
- Executive Committee (Chairman)
- Mandurah Liquor Accord
- Mandurah Roadwise Advisory Group
- Peel Regional Leaders Forum
- Reconciliation Action Plan Steering Group
- South West Regional Road Group
- WALGA : Peel Country Zone
- Waste Management Alliance Board
- Mandurah and Peel Tourism Organisation Board



Councillor Caroline Knight

North Ward
(2011 - present)

Deputy Mayor
(October 2017-present)

- Planning Committee
- Executive Committee (Chairman)
- Audit and Risk Committee (2nd Deputy Member)
- Peron Naturaliste Partnership
- Mandurah Environmental Advisory Group
- Peel Harvey Biosecurity Group
- Metro South-West Joint Development Assessment Panel
- Australian Coastal Council Association
- Mandurah Coastcare Coordinating Advisory Group (Dep Member)
- WALGA: Peel Country Zone (deputy member)

- Committee of Council
- Strategy Committee
- Public Art Committee (Chairman)
- Executive Committee
- Mandurah Environmental Advisory Group
- Peron Naturaliste Partnership
- WALGA : Peel Country Zone
- Metro South West JDAP
- Peel Harvey Catchment Council - Local Government (Coastal)
- Australian Coastal Council Association
- Mandurah Coastcare Coordinating Advisory Group (Deputy Member)



Councillor Ron Wortley

North Ward

(2003 - 2007, 2009 - present)

- Planning Committee
- Access and Inclusion Advisory Group
- Mandurah Roadwise Advisory Group
- Mandurah Coastcare Advisory Group (as the Comet North Rep)
- Committee of Council
- Audit and Risk Committee
- Strategy Committee
- Access and Inclusion Advisory Group
- Mandurah Roadwise Advisory Group
- Local Emergency Management Advisory Committee (Deputy Member)
- Mandurah Community Museum Advisory Group (Deputy Member)



Councillor Peter Jackson

North Ward (2013 - present)

- Planning Committee
- Audit and Risk Committee (Chairman)
- Executive Committee
- Mandurah Liquor Accord
- Mandurah and Peel Tourism Organisation (MAPTO) Board
- Committee of Council
- Strategy Committee (Deputy Chairman)
- Audit and Risk Committee (1st Deputy Member)
- Mandurah Liquor Accord
- Peel Chamber of Commerce & Industry Board



Councillor Lynn Rodgers

East Ward (2001 - present)

- Planning Committee
- Executive Committee
- Mandurah Environmental Advisory Group
- Reconciliation Action Plan Steering Group
- Committee of Council
- Strategy Committee
- Public Art Committee
- Audit and Risk Committee (2nd Deputy Member)
- Reconciliation Action Plan Steering Group



Councillor Darren Lee

East Ward
(2005-present)
Deputy Mayor
(2007-October 2017)

- Executive Committee
- Audit and Risk Committee (1st Deputy Member)
- Planning Committee (2nd Deputy Member)
- Waterside Canal Waterways Advisory Group
- Mariner's Cove Waterways Advisory Group
- Peel Mosquito Management Group (deputy member)
- Rivers Regional Council (deputy member)
- WALGA : Peel Country Zone
- Metro South-West Joint Development Assessment Panel
- Committee of Council (Chairman)
- Audit and Risk Committee
- Public Art Committee
- Strategy Committee
- Mariner's Cove Canal Waterways Advisory Group
- Waterside Canal Waterways Advisory Group
- Metro South West JDAP
- Access and Inclusion Advisory Group (Deputy Member)



Councillor Shane Jones

East Ward
(2007-present)

- Waterside Canal Waterways Advisory Group (deputy member)
- Mariner's Cove Waterways Advisory Group (deputy member)
- Group (deputy member)
- Rivers Regional Council
- South West Regional Road Group (deputy member)
- Committee of Council
- Strategy Committee
- Rivers Regional Council
- South West Regional Road Group (Deputy Member)
- Waterside Canal Waterways Advisory Group (Deputy Member)
- Mariner's Cove Canal Waterways Advisory Group (Deputy Member)



Councillor Dave Schumacher

Town Ward
(2009 – present)

- Port Mandurah Canal Waterways Advisory Group
- Reconciliation Action Plan Steering Group
- Peel Chamber of Commerce & Industry Board (deputy member)
- Mandurah Liquor Accord
- Committee of Council
- Strategy Committee
- Mandurah and Peel Tourism Organisation (MAPTO) Board
- Port Mandurah Canal Waterways Advisory Group (Deputy Member)



Councillor Peter Rogers

Town Ward (2014-present)

- Planning Committee (Chairman)
- Audit and Risk Committee
- Executive Committee
- Mandurah Community Museum Advisory Group
- Reconciliation Action Plan Steering Group
- Rivers Regional Council (deputy member)
- Committee of Council
- Audit and Risk Committee
- Strategy Committee
- Mandurah Performing Arts Inc Board
- Reconciliation Action Plan Steering Group
- Rivers Regional Council (Deputy Member)



Councillor Jane Field
Town Ward (2013-October 2017)

- Planning Committee (1st Deputy Member)
- Local Emergency Management Advisory Committee
- Mandurah Performing Arts Inc Board
- Mandurah Roadwise Advisory Group
- Access and Inclusion Advisory Group (deputy member)
- Mandurah Bushfire Advisory Committee (deputy member)
- Mandurah Community Museum Advisory Group (deputy member)
- Mandurah Environmental Advisory Group (deputy member)



Councillor Matt Rogers
Town Ward (October 2017-present)

- Committee of Council
- Strategy Committee
- Public Art Committee Access & Inclusion Advisory Group
- Mandurah Community Museum Advisory Group
- Port Mandurah Canal Waterways Advisory Group



Hon Councillor Fred Riebeling
Coastal Ward (2011 – present)

- Planning Committee
- Audit and Risk Committee
- Mandurah Bushfire Advisory Committee
- Mandurah Quay Waterways Advisory Group
- Port Bouvard Waterways Advisory Group
- Peel Mosquito Management Group
- Rivers Regional Council
- Metro South-West JDAP (alternate CoM Rep)
- Local Emergency Management Advisory Cttee (deputy member)
- Committee of Council
- Audit and Risk Committee (Chairman)
- Strategy Committee
- Peel Mosquito Management Group
- Reconciliation Action Plan Steering Group
- Rivers Regional Council
- Eastport Canal Waterways Advisory Group
- Mandurah Quay Waterways Advisory Group
- Port Bouvard Canal Waterways Advisory Group
- WALGA : Peel Country Zone (Deputy Member)
- Peel Chamber of Commerce & Industry Board (Deputy Member)
- Metro South West JDAP (alternate representative)
- Mandurah Bushfire Advisory Committee (Deputy Member)



**Councillor
Tahlia Jones**

Coastal Ward (2015 – present)

- Planning Committee
- Audit and Risk Committee
- Access and Inclusion Advisory Group
- Mandurah Quay Waterways Advisory Group
- Port Bouvard Waterways Advisory Group
- Metro South-West JDAP (alternate CoM Rep)
- Committee of Council
- Audit and Risk Committee
- Strategy Committee (Chairman)
- Mandurah Coastcare Coordinating Advisory Group
- Mandurah Environmental Advisory Group
- Metro South West JDAP (alternate representative)



**Councillor Shannon
Lawson**

**Coastal Ward
(2013-October 2017)**

- Mandurah Coastcare Coordinating Advisory Group
- Peel Chamber of Commerce & Industry Board



**Councillor
Merv Darcy**

**Coastal Ward
(October 2017-present)**

- Committee of Council
- Strategy Committee
- Eastport Canal Waterways Advisory Group
- Local Emergency Management Advisory Committee
- Mandurah Bushfire Advisory Committee
- Mandurah Quay Waterways Advisory Group
- Port Bouvard Canal Waterways Advisory Group
- Rivers Regional Council (Deputy Member)
- Peel Mosquito Management Group (Deputy Member)

Council Meeting Attendance

Jul 2017- 10 Oct 2017

Name	Ordinary Council (11 Jul - 10 Oct 2017)	Special Council (July & Sept 2017)
Mayor Marina Vergone	7	2
Cr Darren Lee	5	1
Cr Lynn Rodgers	5	0
Cr Shane Jones	4	2
Hon Cr Fred Riebeling	6	2
Cr Shannon Lawson	4	2
Cr Tahlia Jones	7	0
Cr Ron Wortley	6	1
Cr Caroline Knight	6	2
Cr Peter Jackson	7	2
Cr Dave Schumacher	5	2
Cr Jane Field	6	1
Cr Peter Rogers	6	2

23 Oct 2017 – June 2018

Name	Ordinary Council (28 Nov 2017 – 26 June 2018)	Special Council (October & May)
Mayor Williams	7	3
Cr Caroline Knight	8	3
Cr Lynn Rodgers	6	2
Cr Darren Lee	7	3
Cr Shane Jones	7	3
Cr Dave Schumacher	5	2
Cr Matt Rogers	7	3
Cr Peter Rogers	8	3
Cr Tahlia Jones	7	3
Hon Cr Fred Riebeling	8	3
Councillor Darcy	7	3
Councillor Wortley	8	3
Cr Peter Jackson	8	3

During the year the Mayor and Councillors also attended committee meetings of Council and a range of Council Advisory Group meetings that are not included in the table above.

Executive Management



Mark Newman

Chief Executive Officer

B.Com, Cert Local Govt. Treasurer,
Cert Local Govt. Clerk

Responsible for the overall operation
of the organisation, Economic
Development and Projects.



Allan Claydon

Director Works and Services

B.E. (Hons), GRAD DIP.Bus, GRAD
DIP.Eng, MEM(CUT) MIEAust,
CPEng

Responsible for Operation Services,
Infrastructure Management,
Engineering Technical Services,
Waste Management, Marinas and
Waterways.



Tony Free

Director Sustainable Communities

BA (Urban Studies), MBA, MPIA

Responsible for Environmental
Services, Planning and Land
Services, Statutory Services,
Arts and Culture, Community
Development and City Centre.



Graeme Davies

Executive Manager Strategy and Business Performance

GradDipBus, MBA

Responsible for Recreation Centres
and Services, Strategy and
Corporate Planning, Corporate
Communications, Systems and
Technology, Customer and Visitor
Services, Human Resources,
Occupational Health and Safety
and Risk Management.

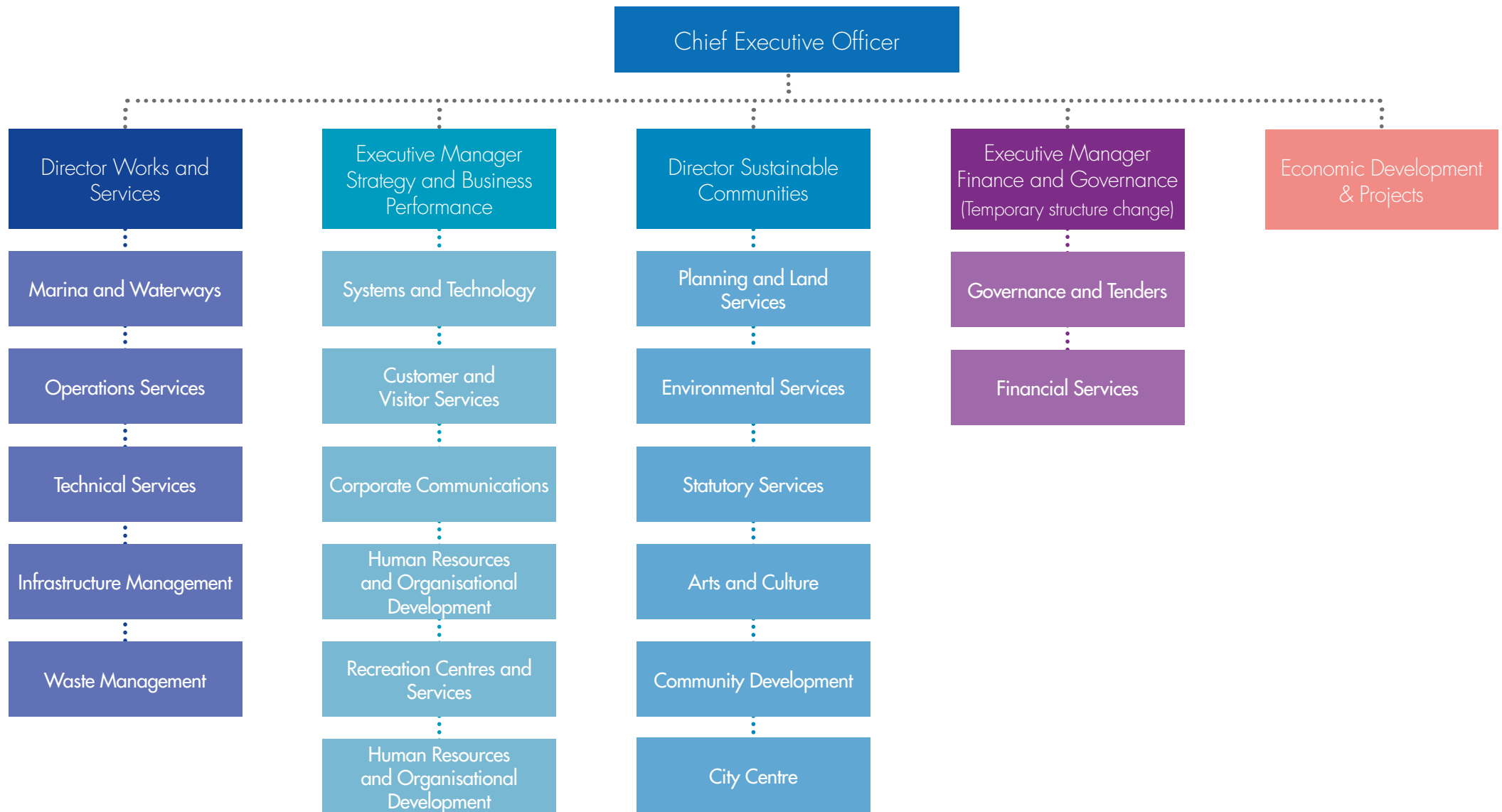


David Prattent

Acting Executive Manager Finance and Governance

Responsible for Legal, Governance,
Tenders and Finance Services.

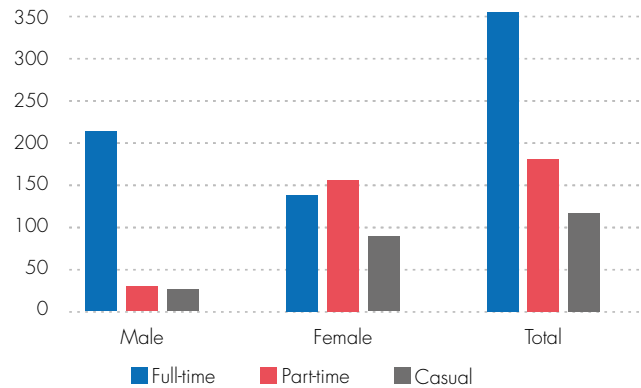
Organisational Structure



Staff Profile

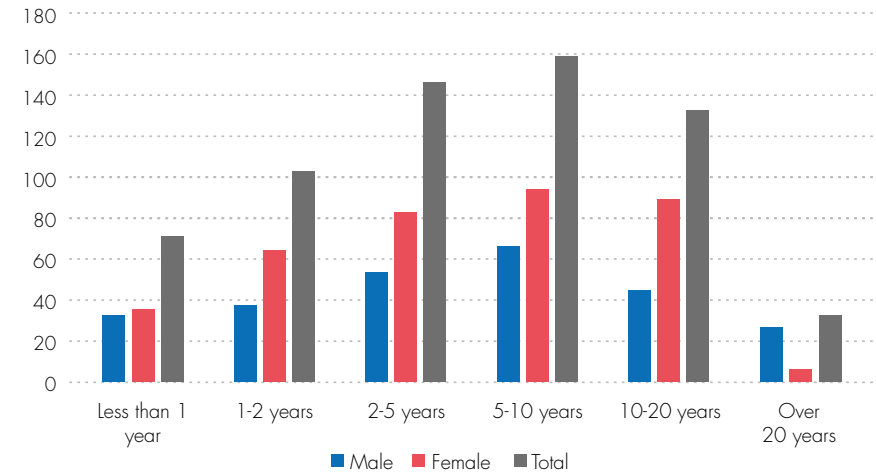
The City of Mandurah has a diverse workforce, currently employing 643 staff in many varied fields. Volunteers are also an important extension of our workforce.

City of Mandurah Employees 2017/2018*

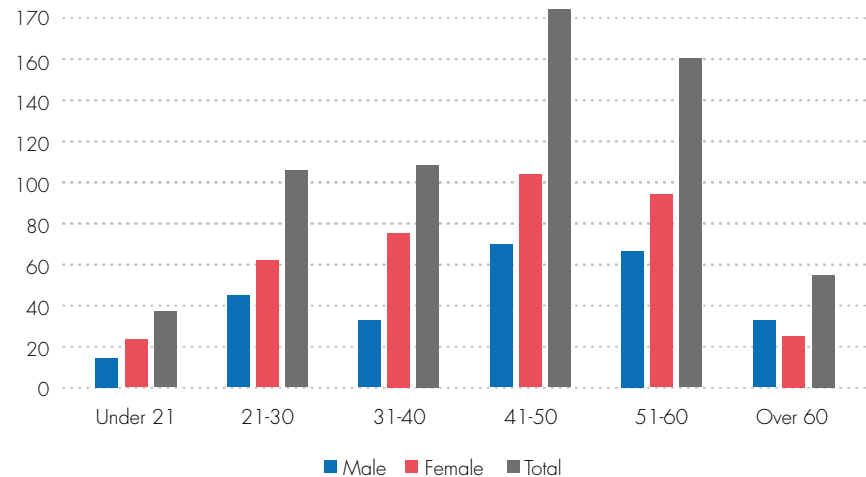


* This is current 29 June 2018 however a number of employees engaged are seasonal.

City of Mandurah Employees by tenure 2017/2018



City of Mandurah Employees by age 2017/2018



About the Annual Report

The Annual Report 2017-2018 will provide an update of the City's achievements against the Corporate Business Plan 2018-2021 which was developed from the Strategic Community Plan 2017-2037.

The objectives in both plans focus on six key areas; Environment, Social, Economic, Infrastructure, Identity and Organisational Excellence.

For each of the identified objectives, strategies, projects, actions and activities have been identified in the Corporate Business Plan 2018-2021. Performance indicators were also identified in the plan which are measured quarterly to ensure that the City delivers on its Strategic Community Plan. We will in this Annual Report, provide an overview of our performance, detailing the strategies implemented for each key area and our progress to date. We will also

provide an update on major issues encountered and projects the City has undertaken during this time.





The Annual Report 2017-2018 meets our commitment to transparent performance reporting, in line with the Integrated Planning and Reporting Framework required of all local governments throughout Western Australia.

Reading the Report

The City of Mandurah Annual Report 2017-2018 is structured based on the Strategic Community Plan's six Key Focus Areas (KFA). The sections to follow will provide:

- A snapshot of our strategic direction, derived from the Strategic Community Plan 2017-2037
- For each Key Focus Area
 - Highlights of major projects/initiatives undertaken during the financial year along with major challenges faced
 - Performance to date, against our Corporate Business Plan 2018-2021 – The Scorecard

The performance against the Corporate Business Plan 2018-2021 is reported using a four colour scale;

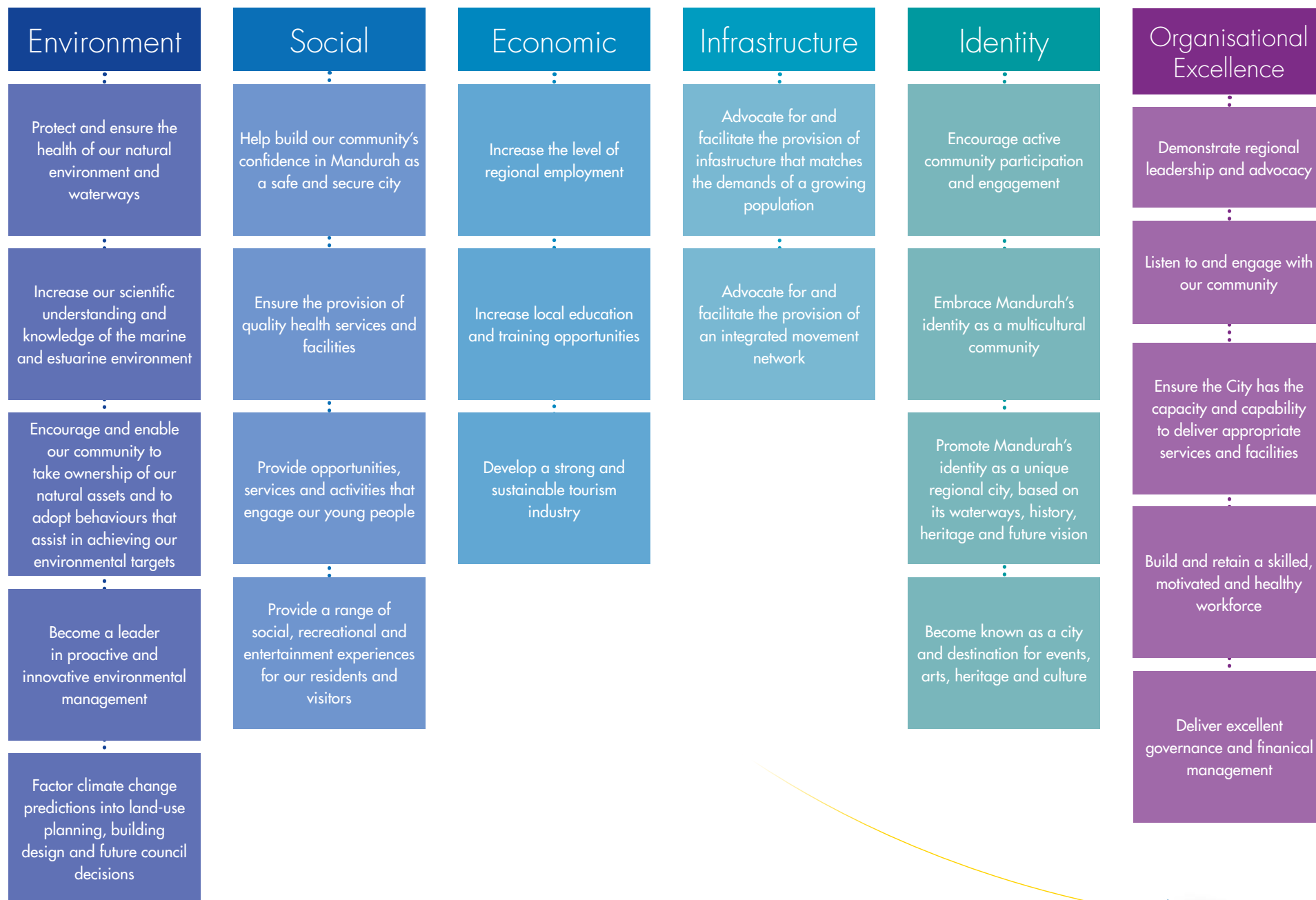
-  **Completed:** Projects/Initiatives completed during the financial year under review, as planned in the Corporate Business Plan 2018-2021
-  **In Progress:** Projects/Initiatives commenced during the financial year under review, as planned in the Corporate Business Plan 2018-2021, but not yet completed, with delivery due after the financial year 2017/2018, or delayed due to varied reasons
-  **Ongoing:** Projects/Initiatives completed during the financial year under review, as planned in the Corporate Business Plan 2018-2021, to be delivered annually for a given period of time
-  **Not Commenced:** Projects/Initiatives not commenced during the financial year under review, as planned in the Corporate Business Plan 2018-2021 due to varied reasons

Overall Strategic Direction

Major projects/initiatives highlights for the KFA

Performance Scorecard for the KFA

Strategic Direction





Key Focus Area: Environment

A community that is a leader in proactive and innovative environmental management.

Waterwise Initiatives

In 2018, the City was again endorsed as a Waterwise Council Program, which is jointly run by the Water Corporation and the Department of Water and Environment Regulation.

The City was awarded Gold status, which recognised our efforts in a number of areas, including:

- Landscaping along Mandurah Road using low water native plants
- Expanding the Waterwise Verge Incentive Scheme including a partnership with Mandurah Community Gardens
- Smart technology pilot program to monitor water consumption at high water use council facilities
- Expanding the waste water reuse scheme for irrigation of public open space

Energy Saving Measures

The City continues to implement energy saving measures and renewable energy projects in order to meet its 2020 carbon neutral targets. The City has a leadership role within the community, driving and sustaining action on climate change.

LED lighting upgrades were carried out as part of the ongoing LED retro-fit plan at:

- Marina Office
- Coodanup Community Centre
- Civic Centre Office Areas
- Billy Dower Youth Centre
- Reading Cinema

The City is continuing to investigate new energy saving initiatives.

Sophisticated circuit monitoring at the Administration building has been carried out to assess what can be done to reduce energy usage. The data is currently being analysed by an external consultant.

Mosquito Management

The Peel Mosquito Management Group (PMMG) consists of the City of Mandurah, Shire of Murray, City of Rockingham and the Shire of Waroona. In partnership with the Department of Health Western Australia, the group works hard to minimise the impact of mosquitos across the Peel Region.

Mosquito management activities undertaken during 2017/2018 were similar to the previous financial year. Twenty helicopter larviciding treatments were carried out covering a total of 3,503 hectares, an increase of 876 hectares. One less helicopter treatment was carried out compared to the previous season.

The successful completion of aerial treatments effectively moderated mosquito populations to the benefit of the regions lifestyle and amenity and minimised the risk of mosquito borne disease. The City and the PMMG also provides community education on ways to 'fight the bite'.

Environmental Partnerships

The City works closely with a number of organisations, groups and research bodies to deliver the best environmental outcomes on behalf of the community.

Key environmental partners include:

- Peel Preservation Group to assist with the installation of Seabins in the Mandurah Ocean Marina. The group will develop an education program around the bins
- Baldivis Children's Forest for a third consecutive year on the delivery of the Perth and Peel regional Kids Teaching Kids conference
- Dolphin Watch for the Dolphin Watch Mandurah training session which attracted over 200 attendees
- The City donated \$1,000 to assist students from Mandurah Baptist College create a community waste campaign
- Backyard Bandicoots ARC Partnership with Murdoch University (second year of three years)

- Environmental Education Research Project partnership with Murdoch University. The partnership will research the impact from three of the City's environmental education programs
- Australian Association of Environmental Education to compile a bid for the 2020 Australian Association of Environmental Education National Conference
- Peel Harvey Catchment Council on the Lake Clifton Stewardship Program
- Bouvard Coastcare Group with the installation of the City's first possum rope bridge. The bridge was funded by The City of Mandurah in conjunction with Peel Harvey Catchment Council through funding from the Australian Government's National Landcare Program and the Western Australian Government's State NRM Program
- Bouvard Coastcare Group - seed bombing revegetation initiative
- Seascapes Coastcare, installation of the Seascapes Interpretive Signage Walkway. The walkway aims to educate the local community about the local environment and Aboriginal history of the area
- CoastWest, Peel Harvey Catchment Council, the Conservation Council of Western Australia, the Fairy Tern Network, Birdlife, Water Corporation and Cockburn Cement in relation to the creation of The Mandurah Fairy Tern Sanctuary

Community Education and Engagement

The environment has been identified as one of the community's top priorities.







The City is committed to working with the local community to take action to decrease our impact on the environment in a number of different ways and ensure our young people understand the value of our unique environment.









Our key achievements include:




- Mandurah Environmental Volunteer Advisory Committee: Five workshops have been run to provide environmental volunteers, community groups and residents with a platform to network and provide upskilling opportunities. Approximately 150 people attended.
- Community Planting Season: Nine community planting days were held throughout the Mandurah area in 2018. Over 500 volunteers and community members helped plant over 35,000 native plants.
- Kids Teaching Kids Conference: 260 students registered for the 2017 Kids Teaching Kids Conference from 13 different schools. Mandurah Baptist College was announced as this year's Melbourne scholarship winner.
- Climate Change Schools Tours: 230 year 12 students from Perth and the Peel region attended three tours in 2018.
- Mandjar Wildlife Guardians: Community engagement conducted with over 1,300 people voting on Mandurah's most iconic wildlife species.
- Volunteer Support: Assistance with five Clean up Australia Day and Planting Day events.



Scorecard

Strategy	Strategic Initiative	Progress	Comment
1.1 Protect and ensure the health of our natural environment and waterways	1.1.1 Ensure appropriate strategies and programs are in place to maintain Mandurah's biodiversity		The City continued implementation of the Biodiversity Strategy, created eight Environmental Management plans for City managed nature reserves, and undertook other key initiatives to improve urban and bushland environments. Examples include the implementation of Management Plans for conservation areas and planting 19,310 seedlings in the City's bushland, estuary and coastal reserves.
	1.1.2 Support the development of a clear governance structure for Peel waterways management		A position paper has been prepared and endorsed by Council stating that the City requests that the State Government create a clear governance structure for Peel waterways management. The paper describes current research that is and has been conducted in relation to Peel-Harvey estuary management requirements and emphasises the need for clear governance in order to implement recommendations from this research.
	1.1.3 Ensure appropriate strategies and actions are in place for Mandurah's coast and waterways		A large scale estuary dynamics modelling study was recently completed. This will provide crucial information for shoreline protection works. State Government funding was obtained to undertake a Coastal Hazard Risk Management Adaptation Plan
	1.1.4 Integrate the protection of waterways and bushland into land use planning		Provided submissions to State and Federal Government departments on environmental policy and strategy including; submission to the Department of Primary Industries and Regional Development, Agriculture and Food in support of proposal to declare the feral cat as a declared pest under section 22(2) of the Biosecurity and Management Act 2007. Comments to Department of Environment and Energy (DoEE) supporting the Listing Assessment of Tuart Woodlands and Forests of the Swan Coastal Plain as a nationally threatened ecological community and comments to DoEE supporting the draft revised Environmental Protection and Biodiversity Conservation Act referral guidelines for three threatened black cockatoo species.
	1.1.5 Proactively manage storm water to reduce the impact on the natural environment		The City continues with its program of water sensitive urban design initiatives. A drainage engineer is proposed for the 2018/2019 budget to further progress stormwater initiatives.
	1.1.6 Reduce the City's water consumption		Continued implementation of the Waterwise Council Water Efficiency Action Plan, obtaining Gold Waterwise council status in the 2017/2018 financial year.

Strategy	Strategic Initiative	Progress	Comment
1.2 Increase our scientific understanding and knowledge of the marine estuarine environment	1.2.1 Engage in collaborative research partnerships with the education sector and other stakeholders		The City has six current environmental research collaborations with Murdoch University; Australian Research Council (ARC) - Backyard Bandicoots, ARC Balancing Estuarine and Societal Health, Environmental Education PhD partnership, proposed Cooperative Research Centres, wildlife relocation project, Sustainable Dolphin Tourism, and Fairy Tern PhD research in-kind support
	1.2.2 Lobby State Government to ensure the sustainability of fish and crustacean stocks and habitats		The City and Peel Harvey Catchment Council continue to plan for the Peel Waterways Institute and the Australian Centre for Water Science, which will incorporate waterways research, including marine ecosystems. The City continues to work with local fishing groups to maintain a healthy crab population.
	1.2.3 Respond to environmental challenges based on scientific evidence		The City continues to ensure appropriate strategies and actions are in place, in preparation to respond to environmental challenges based on scientific evidence.
1.3 Encourage and enable our community to take ownership of our natural assets, and to adopt behaviours that assist in achieving our environmental targets	1.3.1 Provide information and events that enable people to understand and care for the environment		The Mandurah Environmental Volunteers Action Committee was created during the 2017/2018 financial year. Ongoing engagement with the community on how they can impact positively on the environment. Continued to deliver a range of environmental events including Kids Teaching Kids conference, National Tree Day and environmental community exhibitions at Stretch Arts Festival Mandurah.
	1.3.2 Reduce waste-to-landfill		Implemented programs to compost all redundant native tree materials and stockpile suitable material from road rehabilitation, construction works and path replacement for future crushing and reuse in construction works. Education programs continue to improve the community's recycling performance.
	1.3.3 Assist our community to reduce energy use and adopt clean energy technologies		The City partnered with Western Power to deliver 'in front of meter battery storage' project, in Meadow Springs, capable of servicing approximately 100 households. The City continues to pursue a range of clean energy solutions.
	1.3.4 Assist our community to reduce water consumption		Continued implementation of the Waterwise Council Water Efficiency Action Plan including retrofitting 77 conventional verges to waterwise verges.
	1.3.5 Promote and encourage the development of environmentally sensitive built form		Solar orientation in new subdivisions and new dwelling forms part of the City's assessments.

Strategy	Strategic Initiative	Progress	Comment
1.4 Factor climate change predictions into land-use planning, building design and future Council decisions	1.4.1 Ensure strategies are in place for climate change adaptation including greening of the City		Climate change (sea level rise) is taken into account in every design developed for the coast or estuary. Draft urban canopy strategy prepared to address and mitigate increased impacts related to extreme heat, likely to be experienced via climate change. A baseline assessment of Mandurah's existing urban canopy has indicated a slight increase in canopy between 2007 and 2016. These findings are expected to guide further development of the strategy. The City's significant tree planting program continued.
	1.4.2 Increase dwelling density around activity-centres and key transport links		The City's draft Planning Scheme 12, Local Planning Strategy and Central Mandurah Activity Centre Plan set out the dwelling densities around the key activity centres. The draft scheme 12 and Planning Strategy will be advertised for public comment during 2018/2019 following endorsement by the Western Australian Planning Commission.
	1.4.3 Reduce the City's carbon footprint		Continued efforts to reduce the carbon footprint in the 2017/2018 financial year, including a review of the light vehicle selection procedure to deliver better environmental sustainability outcomes with negligible cost impacts, including more Hybrid and Electric Vehicle options. The enhanced selection criteria also reduced fuel consumption and CO2 emission limits for passenger and commercial vehicles from previous options. Geothermal heating is now operational at the Mandurah Aquatic and Recreation Centre. The City's solar panel network on its own building centre to operate.



Key Focus Area: Social

A community that is safe, resilient, healthy and engaged.

Community Safety and Crime Prevention

The City continues to ensure a well-rounded approach to community safety and crime prevention by working together with the State and Federal Governments, local police, businesses, community groups and residents.

Key achievements during 2017/2018 include:

- Community Safety and Crime Prevention Strategy was implemented in 2017. The strategy has 3 focus areas Social Development, Environmental Design and Community Action, Connection and Involvement.
- Optic Fibre and CCTV project; \$350,000 was received from the State Government in 2017. The project involves 3 phases:
 1. Replace existing CCTV and expand the CCTV coverage across the Smart Street Mall
 2. Installation of optic fibre from the City of Mandurah Civic Building along the Eastern Foreshore to the Mandurah Bridge and the Western Foreshore
 3. Installation of 13 new cameras in 5 locations including Pinjarra Road, southern end of Mandurah Terrace, Brighton Plaza, Sholl Street and Keith Holmes Reserve

- *My Park Grooves*, a series of free community events at four local parks (Lakelands, Dawesville, Coodanup and Halls Head). The aim of these events is to increase activation of City's parks, increase reporting of graffiti or vandalism and increase community involvement with neighbours, community groups and local spaces.
- *Communities that Care*, the development of the Community Action Plan implementing evidence based programs to minimise risk factors for young people. Risk factors include:
 - Attitudes favourable to alcohol/drug use
 - Community norms and laws favourable to alcohol/drug use
 - Low commitment to school
 - Family conflict and family management
- *Liquor Accord*, a new strategic plan was developed. The accord is made up of licensed premises, Police, security, taxis, street chaplains, Department of Sporting and Culture Industries and the Community Safety team. Key focus areas for the Liquor Accord are:
 1. Reduced anti-social behaviour in and around licensed premises
 2. Reduced alcohol related violence, ill health or other harm

3. Increased responsible service of alcohol

The accord meets 6 times per year with an average of 30 members attending each meeting.

Active community

The City offers a number of vital services, facilities, programs and activities to help keep our community active and connected across a range of demographics.

The City works closely with a number of partners to support young people and has more than 150 programs, events and activities for them to get involved in annually. The City delivered the My Park Grooves series of events which activated communities in Coodanup, Halls Head, Dawesville and Madora Bay, filling local parks with local residents.

The Mandurah Seniors and Community Centre continued to offer an energetic and exciting centre for people aged over 55 years. Reaching over 2,100 active members, the centre offered a range of programs, activities, services, concerts and information sessions to seniors.

The City recognises the work of hundreds of volunteers who assist across its facilities and get involved in community events, recreation, youth and seniors services, the arts, environment and conservation areas.

The City also launched the Nikki Wise Memorial Garden, near Sutton Hall, and an annual \$2,000 scholarship for people undertaking education in community services.

Recreation Services

The Mandurah Aquatic & Recreation Centre (MARC) completed its first full year of operations in June 2018, following three years of redevelopment.

Attendance and memberships figures indicate the facility has been well received by the Mandurah Community.

Attendance figures

• Total MARC	874,592
• Aquatic	433,575
• Dry	441,017
• Halls Head Recreation Centre	99,302

Event highlights

- Australian Volleyball Championships
- Australasian Veteran Table Tennis Tournament
- Australian Volleyball League Game
- Netball Pre-Season Game - West Coast Fever Vs QLD Firebirds
- WA State Country Swimming Pennants
- Karate Championships
- Muay Thai Boxing Tournaments x 3
- State Basketball Women's & Men's League (15 Home & Finals Games)

The City conducted its first Sports Expo at Mandurah Forum on Saturday, 10 March 2018. Fourteen local clubs attended to promote themselves and encourage participation in sport and recreation within Mandurah. Hundreds of people attended to sign up or find out more information about joining a club. Future promotion days are planned for both summer and winter pre-seasons.

Funding Programs

- Kidsport grants – 1,438 vouchers (totalling \$208,704) were provided for financially disadvantaged young people to join local sporting clubs
- Club grants - 20 local clubs benefitted from the Club Grant program receiving \$9,993
- Outstanding representative grants – the City provided financial assistance to 76 athletes and officials (totalling \$14,700) to assist with costs of representing their sport at state, national or international level

Access and Inclusion

The City has a long history of ensuring that people of all abilities are able to participate in community life and have equitable access to services and facilities.

The City has ongoing partnerships with a number of disability service groups and agencies as well as people with disabilities and their families. These partnerships have enabled the City to deliver a number of great new initiatives, programs and social opportunities.

Some of the 2017/2018 highlights include:

- Reflecting with Art, is a creative engagement program facilitated by the collaboration of Mandurah libraries, Alcoa Mandurah Art Gallery and Contemporary Art Spaces Mandurah. Monthly sessions provide community members living with dementia the opportunity to attend local art spaces with their companions and explore, discuss and appreciate artworks and chat with local artists. Art is a powerful tool to spark reminiscence and create discussion. Sessions are held in comfortable, safe and welcoming environments and are supported by a volunteer team trained by Alzheimer's WA. Morning tea is provided and attendees are encouraged to socialise and network.
- Festivals and events for people of all ages and abilities, including:
 - Reserved ACROD parking
 - Incorporation of drop off/pick up point
 - Program information in an accessible format
 - Inclusion of a Sensory Rest Stop at major events
 - Ability Idol at 2018 CrabFest
 - AUSLAN interpreter for stage program
 - Accessible fonts and contrast on all event signage
 - Accessible toilets
 - Event volunteering opportunities
 - Staff and volunteer training

- The Access Participation and Inclusion Group made up of ten community members, three elected members and local organisations delivered the following outcomes:

- Inclusion of a float at the 2017 Christmas pageant
- Sensory Rest Stop at the 2017 Children's Festival. The rest stop was very busy all day (first ever at a City event)
- Parks and reserves upgraded to ensure they were safe, compliant and universally accessible. These include:
 - Melros Reserve – installed 4m x 4m shade structure with universal access to an existing cantilevered picnic setting
 - Hermitage Reserve, Coodanup – playground upgrades including a birds nest swing, universally accessible seating with wider concrete padding around seating and tables to allow for improved wheelchair accessibility
 - Country Club Drive Reserve, Dawesville – universally accessible fitness circuit including upgrades to ensure a continuous circuit path
- All significant infrastructure projects (over \$100,000) utilise an independent auditor to evaluate access to buildings, parking and pedestrian access. Projects include:
 - Mandurah Bridge, pedestrian access
 - Mandurah sea wall
 - Old Mandurah Yacht Club car park including accessible bays
 - Old Mandurah Yacht Club accessible toilet design
 - Madora Bay Hall accessible entrance

Mandurah Performing Arts Centre redesign and construction of accessible toilet facilities

- Halls Head ablution – improved accessible facilities

Supporting Our Community

The City supports our community at a neighbourhood grass roots level to build skills and create opportunities. Here are some examples during 2017/2018:

- The Community Assistance Grants Scheme supports community groups who create opportunities for community participation providing greater access to services. Two grants are available, the Community Association Fund and the Partnership Fund.
- The Community Association Fund supports location community groups to deliver projects to Mandurah residents. The fund has two rounds per year.
 - Round one: \$19,415 for 14 community groups
 - Round two: \$9,717 for 11 community groups
- The Partnership Fund assists community organisations provide increased access to essential programs and services over a three year period. This financial year \$127,744 was given to nine groups.

Community Festivals and Events

The City once again delivered or facilitated a number of spectacular events during the financial year.

The events provide fun activities for local residents and visitors as well as economic opportunities and benefits to our community.

Mandurah Crab Fest

Another successful year for the Mandurah Crab Fest attracting approximately 100,000 people over the weekend. The event has once again been recognised at the WA Tourism Awards, announced as a finalist in the Major Events and Festivals category.

This follows the City winning gold in 2016 and 2017. Crab Fest media engagement promoted Mandurah as a tourist destination more than ever before, including physical activations at Hillarys Boat Harbour, Rottnest, Fremantle and Yagan Square.

Major achievements:





- Economic impact of \$8.3 million
- 145 local businesses involved (increased from 104 in 2017)
- 48% of vendors and stallholders from Mandurah and the Peel Region
- Largest volunteer involvement from the community to date









City of Mandurah major events






- **Children's Festival** (22 October) 25,000 people
- **Community Christmas Celebration** (12 December) 25,000 people
- **New Year's Eve** (31 December) 25,000 people
- **Australia Day Celebrations** (26 January) 5,000 people
- **Mandurah Crab Fest** (17 & 18 March) 100,000 people
- **Stretch Arts Festival Mandurah** (6 & 7 May) 16,000 people
- **Wearable Art Mandurah Showcase** (9 & 10 June) 1,400 people



Scorecard

Strategy	Strategic Initiative	Progress	Comment
2.1 Help build our community's confidence in Mandurah as a safe and secure City	2.1.1 Put in place strategies and actions that make people feel safe		Continued to maintain and manage the City's CCTV infrastructure. Undertook a CCTV expansion and optic fibre redevelopment project. Put in place a proactive dog management program with significant increase in targeted patrols to address uncontrolled dogs combined with public education. Extensive action in bush fire management through actions undertaken on city owned and managed land and through compliance and educational actions to ensure private land holders are prepared. Continued action on addressing homelessness including the activation of City Centre Security Patrols. State government funding for Beach Emergency Signage developed by the City.
	2.1.2 Advocate to ensure appropriate levels of community policing including the re-establishment of a regional police presence		Police District office re-established in Mandurah with a District Superintendent and Community Policing Sergeant also re-located in Mandurah. Change to local policing model with the reduced Police district size.
	2.1.3 Ensure the City's planning, design and infrastructure provision enhances community safety by embracing <i>Crime Prevention through Environmental Design</i> principles		Included Crime Prevention through Environmental Design principles in the design of all new and refurbishment building projects across the City, including the Mandurah Family Community Centre refurbishment, Ocean Road Changeroom Facility, Lakelands Library and Community Centre, Mandurah Foreshore Boardwalk refurbishment, Halls Head, Northport Beach, Milgar Reserve, Madora Bay (north) and Silver Sands public ablution refurbishments, and a number of other minor projects.
	2.1.4 Continue to promote Mandurah as a great place to live		The City has promoted the activities available to our community and continued to provide services and facilities at a level, with the promotion of Mandurah as a great place to live.

Strategy	Strategic Initiative	Progress	Comment
2.2 Ensure the provision of quality health services and facilities	2.2.1 Advocate to ensure that Mandurah's health care needs are met including the provision of a significant regional hospital		Preparations and budgeting for the creation and implementation of a Public Health Plan. Continued lobbying of the State Government to expand Peel Health Campus.
	2.2.2 Continue partnerships to ensure the delivery of best-practice mosquito control		Continued Best Practice Mosquito Control with ongoing advocacy for the continuation of winter treatment. An extensive public awareness program has been undertaken.
	2.2.3 Ensure City services and facilities are accessible to all		Incorporated universal Accessibility and Disability Discrimination Act requirements in the design of all new and refurbishment building projects across the City, including the Mandurah Family Community Centre refurbishment, Ocean Road Changeroom Facility, Lakelands Library and Community Centre, Mandurah Foreshore Boardwalk refurbishment, Halls Head, Northport Beach, Milgar Reserve, Madora Bay (north) and Silver Sands public ablution refurbishments.
	2.2.4 Implement strategies and actions that meet the needs of seniors within our community		Delivered an increased number of programs at the Seniors and Community Centre, with membership peaking at over 2,100. Assisted a range of seniors social and sporting groups with projects and programs.
2.3 Provide opportunities, services and activities that engage our young people	2.3.1 Provide facilities, events and spaces that meet the needs of young people		Expanded youth programs to Lakelands, commenced a new Youth Comedy Club, delivered an expanded City Kids school holiday event series, delivered a 20 Year Junior Council reunion event and delivered a Youth Forum at Mandurah Performing Arts Centre.
	2.3.2 Connect young people to information, people, programs and education that allows them to achieve their life goals		Maintained a Youth Development social media presence and expanded usage. Provided youth leadership opportunities, finding support and connections to employment via job networks and direct training. Continued with providing network opportunities to primary and secondary schools and across TAFE and university. Active participants in a range of forums/projects and programs.
	2.3.3 Develop strategies and actions that ensure that people are given the best start in life from early childhood		Re-established the Mandurah Early Years Group together with an early years information booklet. Through its community grants the City funded and supported a broad range of early years groups and initiatives. Library services deliver Better Beginnings programs and support a broad range of mothers groups and family interactions.
	2.3.4 Support the development of Mandurah's future community leaders		The 2017 Junior Council delivered a project relating to slime, an environmental activity to create awareness of littering and rubbish. The Junior Mayor and Junior Councillors were active throughout the year. Established a youth leadership group to deliver the Youth Forum at Mandurah Performing Arts Centre and engage broadly with the 11-25 year age sector. A Youth Dream Big Fund was also delivered.

Strategy	Strategic Initiative	Progress	Comment
2.4 Provide a range of social, recreational, entertainment and learning experiences for our residents and visitors	2.4.1 Improve the retail and entertainment experience in Mandurah, focusing on enhancing the city centre with a vibrant and safe evening and night economy		Created a City Centre Team to achieve short and medium term redevelopment and activation objectives. The City is currently investigating strategic partnerships with industry and government experts to achieve long term City Centre redevelopment goals.
	2.4.2 Recognise the importance of open spaces for community wellbeing		Continued the implementation of the Mandurah Active Recreation Strategy. The current focus is the delivery of the Lakelands District Open Space project to accommodate the needs of residents in the northern corridor.
	2.4.3 Increase the capacity of Mandurah's community, recreation and volunteer organisations		A number of new initiatives were developed in Lakelands following community consultation. These will be delivered in 2018/2019, with a focus of building community capacity. Delivered a Club Support program that aims to assist its 120+ local sport and recreation groups to be financially sustainable and provide quality programs and services to the Mandurah community.
	2.4.4 Provide people with the infrastructure, skills and knowledge to effectively participate in the digital age		Expanded the City's WiFi network and continued the operation of the digital hub at Mandurah Library. Continued to rollout mobile devices and systems to field staff, including related training and support as necessary, to ensure staff were able to use devices and systems to their maximum extent.
	2.4.5 Encourage wellbeing through healthy lifestyle, sport, social and recreational activities		Continued to manage two community recreation centre facilities providing broad and targeted programs and services for the health and wellbeing of residents. In 2017/2018 over 950,000 visits were recorded through the Mandurah Aquatic and Recreation Centre and Halls Head Recreation Centre facilities. 115,000 people visited the Mandurah Seniors and Community Centre.



Key Focus Area: Economic

A prosperous community with a skilled workforce that has accessible education and employment opportunities.

Mandurah and Murray: a Shared Economic Future

In January 2018, the City of Mandurah and the Shire of Murray formed a collaborative partnership aimed at improving Mandurah and Murray's economic condition and ensuring their socio-economic sustainability.

This partnership enabled the two councils to work together on a new economic plan that continues on from the City of Mandurah's original economic plan, the Southern City Strategy, adopted by Council in November 2008.

In April 2015, the then State Government invited nine regional councils, including Mandurah, to participate in its Regional Centres Development Plan (RCDP). Under the RCDP, each participating council was to prepare an economic 'Growth Plan' for its local government area.

However, following the March 2017 State Election, the new State Government expressed a reluctance to continue with the RCDP. As a result, the City of Mandurah and Shire of Murray resolved to jointly fund and prepare their own Growth Plan, and to subsequently seek State Government investment for the proposed programs and projects.

This plan is currently being prepared, and will be a 'living' document that constantly evolves according to

Mandurah and Murray's changing objectives, priorities and opportunities. Nonetheless, at this stage the plan's programs broadly comprise:

- Water Economy
- Tourism
- Arts, Culture and Sport
- City Centre
- Food and Agribusiness
- Resources and Energy

The new plan seeks to identify high-value programs and projects and to link them to public and private sector investment opportunities. Under this approach, a pipeline of projects will be created that meets broad state and federal government objectives, and is suitable for either private investment or public-private partnerships.

Early-stage planning has highlighted potential economic project opportunities in the areas of Internet of Things (IoT) data networks, water science, eco and trails tourism, foreshore redevelopments, and agribusiness innovation. Under the plan, the City and the Shire will also continue to support the Peel Development Commission's 'Transform Peel' 35-year program, comprising the Peel Food Zone, Peel Business Park and Peel Integrated Water Initiative.

Entrepreneur Programs

An innovative entrepreneurial program has been delivered since 2014 to help boost employment and community capacity building as part of the City's economic initiatives.

Since the free program began, more than 700 participants have attended a range of custom-made workshops for mums, artists, migrant women and unemployed people seeking to start their own business.

This has contributed to 60 full-time businesses being established and 65 per cent of all participants registering an ABN with most of them trading part-time.

It is estimated that the 60 new full-time businesses will contribute around \$5.8m to Mandurah's gross regional product.

During 2017/2018, 189 participants attended Mumpreneur 101, Start UP, Smart Creative, and Power Up courses.

Attracting Major Events to Mandurah

Work continued on the 2018 Australasian Police and Emergency Services Games (APES), with the objective to attract over 3,000 participants and their families to Mandurah in October 2018.

The City has a proud record of producing and attracting

major events, which provide significant boosts to local businesses and drive job creation. The number one annual event is the Mandurah Crab Fest. This year marked the 20th year of delighting local, national and international visitors with an impressive program attracting more than 120,000 people.

The festival is an integral part of the state and delivers economic and social benefits to local businesses and the community.

Another major event that was secured for the City this year was the hosting of the Ulysses Motor Cycle Club Annual General Meeting in 2020. The Ulysses Motorcycle Club is the largest social club of its kind in Australia with a membership of over 25,000 people across 136 clubs. This event is expected to attract over 3,000 bikers, who will camp in Mandurah for a week.

An estimated \$18.5 million will be pumped into the local economy as a result of this AGM.

The City continued its partnership with Sports Marketing Australia for the placement of a number of events. Across nine key events the estimated spend within Mandurah from these events was \$4.7 million.

Employment

The City is a major employer in Mandurah and continues to support an extensive apprenticeship and trainee programs.

The Mandurah/Murray: A Shared Economic Future Strategy includes the development of infrastructure and technology that will grow the local economy and create employment opportunities for our young people. Potential projects include Peel-Yalgorup Wetland Data Network,

Australian Centre for Water Science and The Mandurah Hospitality, Tourism and Events Training Centre.







There will also be a focus on creating new nature-based tourism products.

A New Vision

The City is committed to reviewing our brand and will be completing a community visioning project in 2018/2019. This will drive new thinking on how we can best position Mandurah as a special place, a destination and drive more business and jobs.



Scorecard

Strategy	Strategic Initiative	Progress	Comment
3.1 Increase level of regional employment	3.1.1 Develop and implement a Mandurah Murray Growth Plan with our regional partners		Currently in Phase 2 of the Mandurah/Murray: A Shared Economic Future Strategy. Initial research on first selected projects has commenced.
	3.1.2 Engage, advocate and collaborate with regional partners to ensure the delivery of Transform Peel		Department of Primary Industries and Regional Development, in partnership with Peel Development Commission has assumed lead agency role for delivery of Transform Peel. The City of Mandurah is in a support role in conjunction with the Peel Leadership Forum continuing to lobby for federal funding.
	3.1.3 Advocate for and facilitate the technological infrastructure necessary for business growth and educational and training opportunities		Continued to support and advocate for delivery of 'Transform Peel' program. Mandurah/Murray: A Shared Economic Future Strategy includes development of infrastructure and technology that will grow Mandurah's economy. Current potential projects include Peel-Yalgorup Wetland Data Network, Australian Centre for Water Science, and Mandurah Hospitality, Tourism and Events Training Centre. Continued to deliver the highly successful Entrepreneurial Capacity Building Program, now in its fifth year. The also is also continuing to expand its WiFi network.
	3.1.4 Ensure the land-use planning framework facilitates the development of high-quality commercial office and major retail developments within the Mandurah City Centre		The Central Mandurah Activity Centre Plan has been prepared and adopted by Council for advertising to provide for these outcomes.
	3.1.5 Support local business growth and development		The City's highly successful Entrepreneurial Capacity Building Program is now in its fifth year. Continued to support the Peel Chamber of Commerce and Make Place.
	3.1.6 Ensure council regulations and procurement activities support local economic growth where possible		Development of a local and inclusive purchasing strategy to be endorsed by Council during 2019.

Strategy	Strategic Initiative	Progress	Comment
3.2 Increase local education and training opportunities	3.2.1 Advocate to ensure improved education and training opportunities are provided in Mandurah	●	Continuation of apprenticeship and trainee programs within the organisation itself. Continued to lobby State Government on improving educational outcomes.
	3.2.2 Actively pursue partnerships in the delivery of educational and research and development programs	●	Mandurah/Murray: A Shared Economic Future Strategy, including Peel-Yalgorup Wetland Data Network, Australian Centre for Water Science, and Mandurah Hospitality, Tourism and Events Training Centre will involve active partnership with a range of education and training providers, universities, the research sector and private industry. The City has a range of educational partnerships with tertiary institutions.
	3.2.3 Provide opportunities for the community to participate in lifelong learning	●	The Lakelands Library and Community Centre opened in late 2017 and has become a busy and vibrant community hub. The digital hub continues to operate at Mandurah Library. The Fab Lab was refurbished and space opened up to make it a more multi-use and versatile space.
	3.2.4 Develop a creative and entrepreneurial community	●	The City's highly successful Entrepreneurial Capacity Building Program is now in its fifth year. The City also supports Make Place.
3.3 Develop a strong and sustainable tourism industry	3.3.1 Continue to support and fund the Mandurah and Peel Tourism Organisation (MAPTO)	●	The City continued to fund and collaborate with the Mandurah and Peel Tourism Organisation to promote regional tourism.
	3.3.2 Ensure infrastructure is in place and maintained to support both domestic and international tourism	●	Mandurah/Murray: A Shared Economic Future Strategy has focused on creating new nature-based tourism products. The City continues to support and fund MAPTO.
	3.3.3 Promote Mandurah as a place to be and facilitate the delivery of events that achieve positive local economic outcomes	●	Delivered the 20th annual Crab Fest and a successful series of events including New Year's Eve, Children's Festival, Australia Day, Christmas Pageant, and Stretch Arts Festival Mandurah and Wearable Art Mandurah.

Key Focus Area: Infrastructure

A place where the infrastructure matches the demands of a growing regional city.

Mandurah Bridge Replacement

The new Mandurah Bridge was completed and has been nominated for a number of architecture awards.

The bridge cost \$53 million to build. Features of the new bridge include:

- Four lanes to cater for increasing vehicle usage
- Five metre wide shared path walkway separated from the road thoroughfare
- Retention of a section of the old bridge for heritage value
- Boardwalks and fishing platforms to the underside of the new bridge
- Increased bridge clearance height to match clearances available throughout the Port Mandurah canals
- Architecturally designed street lighting and lighting above the shared path to enhance security and safety

The Mandurah Bridge replacement was a joint project led by the State Government with support from the City of Mandurah.

Program to maintain and manage the City's built infrastructure

A \$7.7 million program was completed to manage the City's built infrastructure, including offices, community halls, recreation centres, public ablutions, libraries, cultural precinct, pavilions, operations centre, bridges, leased buildings and street lighting.

This program was in addition to \$6.6 million of capital works over 73 projects, including the Mandurah Family Community Centre refurbishment, Ocean Road Change Room Facility, Lakelands Library and Community Centre, Mandurah Foreshore Boardwalk refurbishment and Milgar Reserve.

Lakelands Library and Community Centre

The Lakelands Library and Community Centre opened in November. The facility provides a much needed space for the community to come together and learn, play, create, explore and imagine.





It boosts a range of services including hireable meeting rooms, spaces for children and modern access to computers and wireless internet.

Lakelands District Open Space project

The City secured \$4.9 million in State Government funding for the Lakelands District Open Space Project. Preplanning has been completed with construction to commence in July 2018.



Scorecard

Strategy	Strategic Initiative	Progress	Comment
4.1 Advocate for and facilitate the provision of infrastructure that matches the needs of a growing population	4.1.1 Ensure a strategy is in place for the delivery of social and recreational infrastructure		<p>The City has secured \$4.9 million in State Government funding for the Lakelands District Open Space project. Preplanning is now complete with construction to commence in July 2018.</p> <p>Ocean Road Reserve floodlighting installation is now complete and clubroom development is nearing completion.</p> <p>Peelwood Reserve floodlighting installation is complete and Bortolo Reserve installation is currently underway.</p> <p>Community engagement undertaken for a future Dawesville Community Centre Concept Plan.</p>
	4.1.2 Provide and activate localised places and spaces that encourage social interaction and activity		<p>Continued implementing public open space improvements and upgrades at Novara Foreshore and Falcon Bay.</p> <p>Subdivisional development continues to add developed public open space to the City of Mandurah's parks and reserves.</p>
	4.1.3 Ensure community and infrastructure assets are managed and maintained for future generations		<p>Delivered a \$22.8 million program to maintain and manage the City's built infrastructure, including offices, community halls, recreation centres, public ablutions, libraries, cultural precinct, pavilions, operations centres, bridges, leased buildings, street lighting, roads, carparks and parks facilities.</p> <p>Delivered a \$13.3 million program of capital works to create, refurbish and renew buildings, road and park assets and infrastructure for community benefits. Over 197 projects were delivered, including the Mandurah Family Community Centre refurbishment, Ocean Road Changeroom Facility, Lakelands Library and Community Centre, Mandurah Foreshore Boardwalk refurbishment, Halls Head, Northport Beach, Milgar Reserve, Madora Bay (north) and Silver Sands public ablution refurbishments, Sutton Street extension, Lakes Road upgrade and Mandjar Square, Falcon Bay Foreshore and Novara Foreshore staged upgrades.</p> <p>Finalised an Asset Management Strategy that has been endorsed by Council. This includes an Improvement Plan to ensure asset data is accurate and up to date, thereby providing asset owners the required information to make informed decisions on their assets.</p>
	4.1.4 Ensure strategies are in place to provide for affordable and crisis housing in Mandurah		<p>Lobbying of State and Federal governments has occurred with regard to the need for crisis housing to be provided in Mandurah. The City has sought via its Town Planning Scheme and practices to assist in ensuring that a variety of housing stock is able to be provided in Mandurah.</p>

 Complete
  In Progress
  Complete for current year and ongoing
  Not Commenced

Strategy	Strategic Initiative	Progress	Comment
4.2 Advocate for and facilitate the provision of an integrated movement network	4.2.1 Ensure that access to the Mandurah City Centre caters for all forms of transport	●	Draft Cycle and Walkability Plans have been developed as part of an Integrated Transport Plan for the City. This includes provision of access for all mobility devices.
	4.2.2 Plan and advocate for Mandurah's long-term traffic needs, including improved pedestrian and bicycle connections	●	The City has endorsed a Road Hierarchy and Movement Network Plan which forecasts future needs.
	4.2.3 Work with key partners to ensure transport options efficiently link people to jobs, services, recreational and sporting activities	●	Draft Cycle and Walkability Plans have been developed as part of an Integrated Transport Plan for the City. This has involved liaison with Department of Transport and the Public Transport Authority. Consideration of key Activity Centres (sporting, recreational, shopping etc.) was included in these draft documents.

Key Focus Area: Identity

A regional community that is diverse yet inclusive, cosmopolitan yet relaxed, with a strong sense of belonging.

Lifelong learning and our artistic community

The City is passionate about learning, art and cultural development as a way to help local artists prosper, address social issues and create jobs and opportunities for constructive engagement.

Over recent years, the City's libraries have grown their services to meet the community's needs, offering multi-media items, eBooks, eAudiobooks, eMagazines, Kanopy movie streaming and delivering a diverse range of programs including literacy development, STEAM, intergenerational programs and value-adding learning activities.

Our libraries currently serve more than 31,000 members, welcoming approximately 355,000 visitors and issuing more than 475,000 items each year.

This year's highlights have included the opening of Lakelands Library and Community Centre, the first public library in Western Australia to introduce a Story Dogs program to encourage young reluctant readers and also be recognised by Alzheimer's WA as a Dementia Friendly Library Service.

During 2017/2018, the Mandurah Community Museum recorded its highest number of visitors 7,842, who explored the region's interesting Aboriginal, colonial and maritime history on display. The Shackleton: Escape

from Antarctica exhibition was a popular travelling exhibition. The opening of Mandurah's new bridge and the continuation of the centenary of World War One commemorations, provided opportunities for local exhibitions and value added learning activities and programs.

Other highlights this year included:

- Various exhibitions, workshops and learning opportunities at Contemporary Art Spaces Mandurah (CASM)
- The 16th annual Stretch Arts Festival Mandurah was enjoyed by many in May and once again offered free events, performances, workshops, and high quality arts and cultural experiences and learning for the community
- More than 1,300 people enjoyed the Wearable Art Mandurah spectacle in June. Capacity building workshops provided value-adding experiences throughout the year and an exhibition was held at CASM in August
- Sponsoring the Bindjareb Art Awards
- Funding opportunities through the Creative Mandurah Grants Scheme

- Attendees at the 2017 Mandurah Readers and Writers Festival enjoyed author talks, panel discussions, guest speakers and other inspiring activities

The City of Mandurah also launched the RYDE program in May 2018.

In collaboration with Bendigo Bank, Peel Volunteer Resource Centre, Peel Youth Services, Calvary and JSW, the program helps young people who are experiencing barriers to obtain their drivers licence.

This is due to either not having access to a roadworthy vehicle or a responsible adult to drive with them. The program matches young people to a volunteer mentor via software and provides the use of a car, donated by Bendigo Bank for a pre-booked 90 minute session.

Mandurah Bridge Public Art Project

In September 2017, the opportunity to create a \$500,000 public artwork to complement the new Mandurah Bridge was advertised internationally. The artwork procurement is in the final stage of a three stage process and will close in early January 2019 (Expression of Interest and Tender). The City plans to appoint the successful artist by March 2019.






Citizenship ceremonies





The City welcomed 324 new Australian citizens throughout the year at five citizenship ceremonies.







The Australia Day ceremony is regarded as one of the most poignant, in 2018 more than 89 people from around the world became Australians.



Scorecard

Strategy	Strategic Initiative	Progress	Comment
5.1 Encourage active community participation and engagement	5.1.1 Build on the community's strong sense of pride and purpose		Early scoping and research undertaken to support the development of a Community Development Plan in 2018/2019. Participation in the development of public art projects for Mandurah Bridge.
	5.1.2 Identify, engage and promote community champions and high achievers as mentors within the community		The City recognised Mandurah students who achieved ATAR scores of 90 or above, via a civic function. Local champions have been recognised at council meetings on a monthly basis.
	5.1.3 Leverage arts, heritage and culture to build a cohesive community		The City works with more than 70 arts, cultural and heritage groups and several hundred individual artists and musicians across Mandurah, to help the broader community to express and explore their personal and collective identity. In 2017/2018, issues around mental health, homelessness and sense of place/belonging were explored through the Stretch Arts Festival and Contemporary Art Spaces Mandurah (CASM) exhibitions. A key ethos of Wearable Art Mandurah is the development of a collegiate and supportive network. In response to community interest in public art, a major public artwork that celebrates Mandurah's identity is being commissioned to complement the new Mandurah Bridge.
	5.1.4 Provide programs that embrace diversity		The City embraces diversity and supports a range of multicultural groups via the Community Grants program, in delivering services such as mothers groups, cultural events and community leadership. The City delivers programs through its youth and recreation centres, libraries, museum and seniors centre that are accessible to all ages and abilities and are culturally supportive and appropriate. New programs include an Aboriginal Women's Youth Leadership group, Alzheimers support groups in libraries and an increased involvement of people with disabilities volunteering across City events.
	5.1.5 Ensure the City's procurement practices are inclusive		Development of a local and inclusive purchasing strategy to be endorsed by Council during 2019.

Strategy	Strategic Initiative	Progress	Comment
5.2 Embrace Mandurah's identity as a multicultural community	5.2.1 Implement and review the Reconciliation Action Plan 2018-2020		A new Reconciliation Action Plan (RAP) Committee was established. Key achievements for the RAP have been; art awards, scholarships, traineeships, celebrations (NAIDOC, Gnoonie Cup) and ongoing support for Winjan Aboriginal Corp with City Community Grants. Naming of the Joseph and Dulcie Nannup trail along the Serpentine River also took place during 2017/2018.
	5.2.2 Ensure the City's planning and service provision embrace and encourage Mandurah's culturally and linguistically diverse community		The City provided community grant funding to the Peel Multicultural Association in 2017/2018 to support their ongoing service delivery and also reduced fees for their hosting of their annual multicultural celebration event at the Seniors & Community Centre. Mandurah Libraries facilitate english conversation classes weekly at each branch – Falcon, Lakelands and Mandurah. These classes are informal sessions where participants are encouraged to practice Australian English and learn the nuances of the language, the context in which it is used and often, what different terms, particularly parochial slang, means. In 2017/2018 276 community members participated in these classes. Mandurah Libraries has a culturally and linguistically diverse collection. In 2017/2018 there were 1,231 physical items in this collection, with 12,585 loans linked to these items. The youth forum consultation process deliberately encouraged and facilitated schools to support young people of diverse cultures and other minorities. Due to this the City had a high percentage of culturally diverse representation during the 'in school' process and at the youth forum.
	5.2.3 Continue to promote Mandurah as a dual-language (English and Indigenous) location		A number of dual language initiatives were developed and delivered, notably in parks including Caterpillar Park. The City also provided dual language support to external projects such as Mandurah Bridge and the Mandurah Health.
	5.2.4 Celebrate and promote our natural, Indigenous and European history		Delivered the Gnoonie Cup in memory of a tragic local Aboriginal accident, in partnership with the NAIDOC Committee. Dual language signs continue to be implemented, and civic functions recognise aboriginal heritage. New programs include an Aboriginal Women's Youth Leadership group.

Strategy	Strategic Initiative	Progress	Comment
5.3 Promote Mandurah's identity as a unique regional city, based on its waterways, history and future vision	5.3.1 Continue to work with regional stakeholders on issues of regional significance		Lake Clifton Stewardship Program launched in partnership with Peel Harvey Catchment Council
	5.3.2 Promote and advocate for formal recognition of Mandurah's regional city status		The City continued to lobby both state and federal governments on the importance of retaining Mandurah's regional status.
	5.3.3 Advocate for restoration of the regional service delivery model to Mandurah and the Peel region		Lobbying has continued on the importance of having regional services based in Mandurah. The Mandurah policing district has been reinstated.
	5.3.4 Review the City's brand to ensure it is consistent with the aims and aspirations of the community		The city is in the process of reviewing its brand and will complete a community visioning project during 2018/2019, to ensure the aspirations of the community are included as the first step. It is expected the final review will be completed in 2019.
5.4 Become known as a city and destination for events, arts, heritage and culture	5.4.1 Ensure strategies and programs are in place that enhance the City's arts, heritage and culture		The City delivers and supports a range of initiatives that link to the Arts, Heritage and Culture Strategy, Strategic Community Plan, Reconciliation Action Plan and other relevant strategies. Supporting plans include the public art policy, the draft public art plan and the arts grants guidelines. Contemporary Art Spaces Mandurah (CASM), Wearable Art Mandurah and Stretch Arts Festival Mandurah continued in 2017/2018.
	5.4.2 Continue to promote the development of local arts, culture, heritage, music and creative activity		Regional Arts Conference held in Mandurah. The City continued to support MPAC, CASM and the Stretch Arts Festival Mandurah during 2017/2018.



Key Focus Area: Organisational Excellence

An organisation that leads, serves and provides for its community.

Digital improvement

The City has made considerable progress in 2017/2018 in the implementation of digital services for the benefit of the community, staff, stakeholders and many key partners.

During the financial year the City implemented or achieved the following digital initiatives:

- Electronic signatures were implemented across the City leading to productivity improvements as well as a reduction in printing and paper consumption.
- A business case was approved to allow the City to commence the process of procuring and implementing a replacement of the City's current core business system (Authority).
- A trial license plate recognition system was deemed successful, resulting in better parking compliance and improved productivity for parking rangers. Procurement of the system is in the final stages.
- An "Internet of Things" (IOT) trial to monitor water flows in a couple of test locations was successful, identifying a number of leaks the City was not aware of. This technology will now be implemented in other places across the City.
- The Innovation Fund approved in last year's budget

has been used to investigate other IOT opportunities, as well as investigating a specialised analytics tool to look at multiple data sources across the City to help improve decision making.

- A large portion of the City's field workers now have mobile devices with increased take up being seen in compliance and operations.
- WiFi continues to be rolled out across Mandurah, with the City leveraging the capabilities of these devices to better understand usage habits within the foreshore and Smart Street Mall areas.

Customer Service Strategy

One of the City's key strategic goals is to provide its community, ratepayers and stakeholders with efficient, responsive and accessible customer service.

The Customer Service Strategy 2017-2020 was reviewed and updated this year. The strategy has a number of key initiatives aimed at improving the quality and access to services. This includes resolving the majority of customer service enquiries at the first point of contact and continued development of electronic solutions to improve the volume of services offered electronically.

Key achievements include:

- The contact centre maintained a first point of contact resolution rate of 81% for all incoming calls
- Customer satisfaction rating consistently above 85%
- 80% of CRMs are actioned within defined delivery times
- Implementation of digital signatures to speed up processes for customers
- Increased use of digital channels for community engagement
- Widening our use of social media channels
- Development of a mobile enabled website

Local Planning Framework

In January 2017, Council adopted a revised Local Planning Scheme No 12 and Local Planning Strategy to be consistent with the relevant planning regulations that were gazetted in 2015. The Western Australian Planning Commission has now endorsed the scheme and strategy for advertising purposes. Minor amendments will be made to the documents before commencing community engagement and consultation in early 2019.

The City has prepared an Activity Centre Planning Strategy to consolidate precinct plans and outline development plans into one document for the City Centre, Mandurah Terrace, Inner Mandurah, Mandurah Junction and Mandurah Ocean Marina, to ensure consistency in design outcomes, residential densities and land use requirements across each of these areas.

Updated local planning policies were adopted by Council in the second half of 2017. The amendments relating to residential development, signage and jetties streamlined policy outcomes and approvals.

Trading permit guidelines were adopted by Council in March 2018, simplifying restrictive policy requirements for mobile and commercial aquatic businesses, removing duplicate approval processes.

The City continues to actively participate in public forums held by community groups to provide immediate and open dialogue.

Occupational Health and Safety

2017/2018 continued to focus on improving the City's occupational health and safety systems and culture.

Since the implementation of the three year strategic Occupational Health And Safety Risk Management Plan in 2016, the number of lost time incidents, actual work days lost and workers compensation claim costs have decreased.

The data also shows we had an increase in some of our LEAD indicators which are aimed at improving the proactive approach to occupational health and safety.

Some of the 2017/2018 highlights include:

- Development of an occupational health and safety risk management Approved Operating Procedure which will provide a consistent approach to hazard identification and risk management of work activities for all directorates.
- Introduced internal activity observations within operation services.
- Strong participation at health and wellbeing events

Financial Management

The City's balance sheet shows a strong financial position. Debt levels, and the ability to service that debt, which has improved significantly, sit well within guideline levels. Coupled with sound liquidity, the City is a financially stable organisation. Regular reports to Council on the City's financial performance demonstrate a good level of budgetary control. The City continues to receive unmodified audit reports. Regular discussions are held with the Audit and Risk Committee, which oversees the critical areas of finance and risk.

In considering its longer term financial future, the City has identified the imbalances which exist in meeting the demand for new community assets, such as sports grounds and public open space and the need to properly maintain

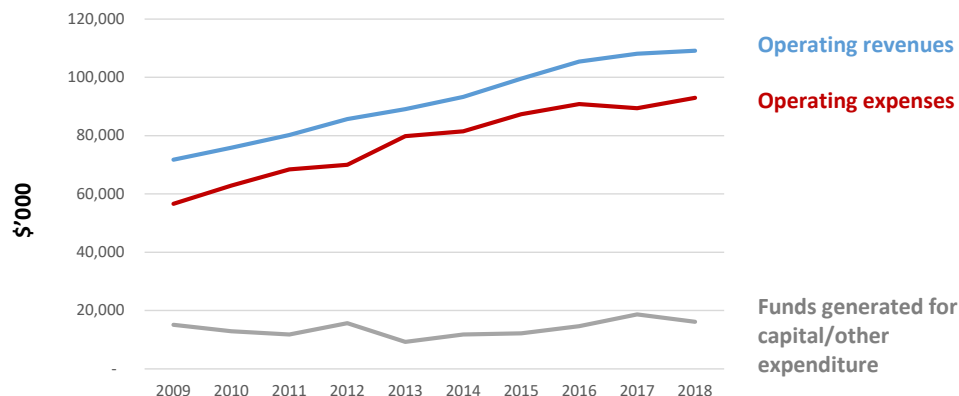
existing assets some of which, particularly buildings, are ageing rapidly.

Future planning must also take into account the need to maintain reasonable levels of rates increases, while recognising the needs of the community, in relation to their capacity to pay. This area is coming under pressure from the growing number of rate exemptions particularly from affordable housing providers and not-for-profit organisations providing lifestyle units for retirees.

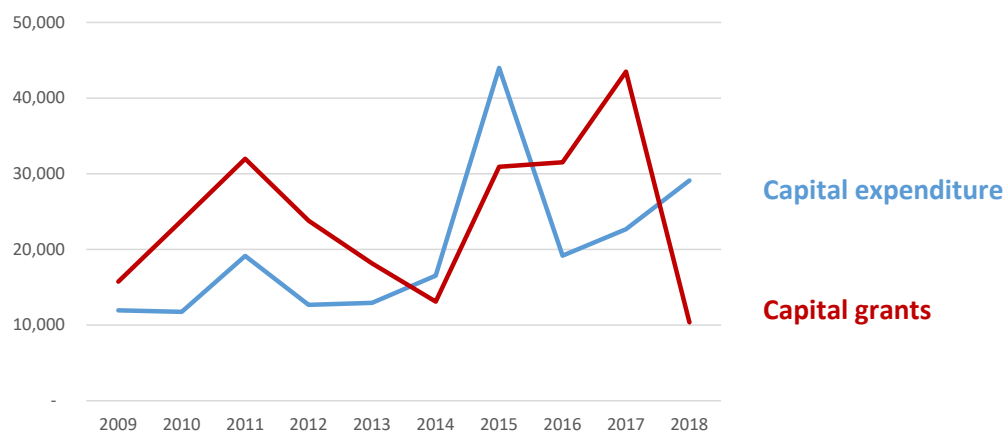
Just as importantly, it is also essential that the way the City works is put under constant scrutiny. The City is currently engaged in a wide-ranging review of all its services and functions. The objective is to improve productivity through organisational change process improvement and the greater use of technology.

The City has established a long term capital investment and operating plan. This plan, which is reviewed at least annually not only identifies future capital priorities and how they may be funded, but is also a useful tool in informing debate and decision-making.

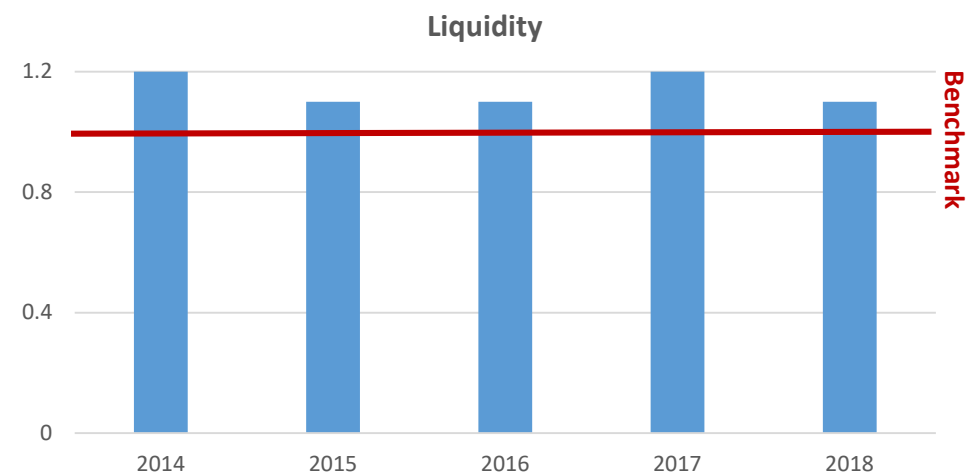
The City is a diverse organisation providing many different services and facilities to its community together with a capital investment programme to deliver and improve community infrastructure. The following narrative and graphs highlight the main elements of the City's financial performance and looks at its overall operating position, capital expenditure, debt management, liquidity and management of its assets.



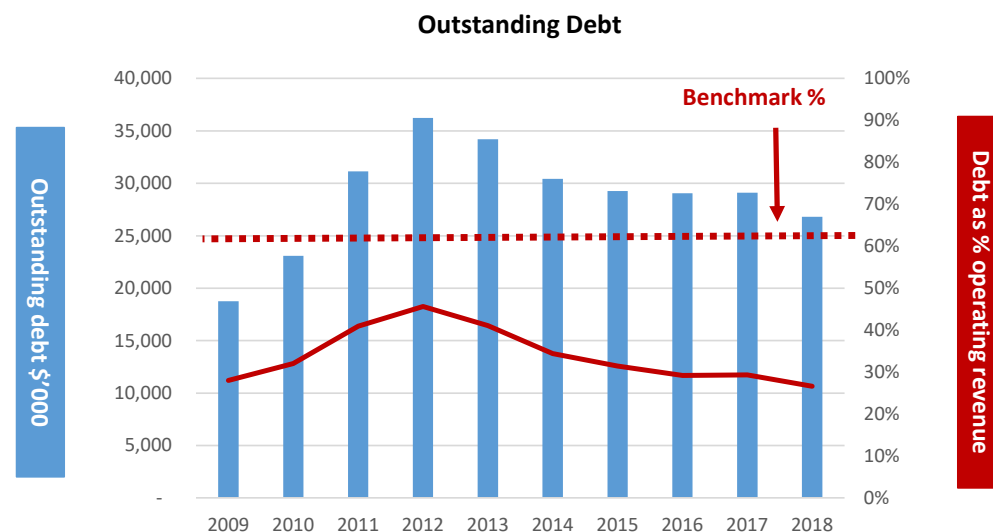
The key element in understanding the City's financial performance is a view of its operations, excluding capital expenditure, over time. The City's operating position reflects the revenues earned from rates and other income, such as fees and charges, and the expenses incurred in providing a wide range of services such as libraries, roads, building and parks maintenance, and environmental and ranger services. The difference between revenues and expenditure represents the funds generated for capital expenditure and other items such as debt servicing. The surplus is a critical element in the funding of community infrastructure. For some time, the City has had a target of increasing these funds so that additional community investment can be made.



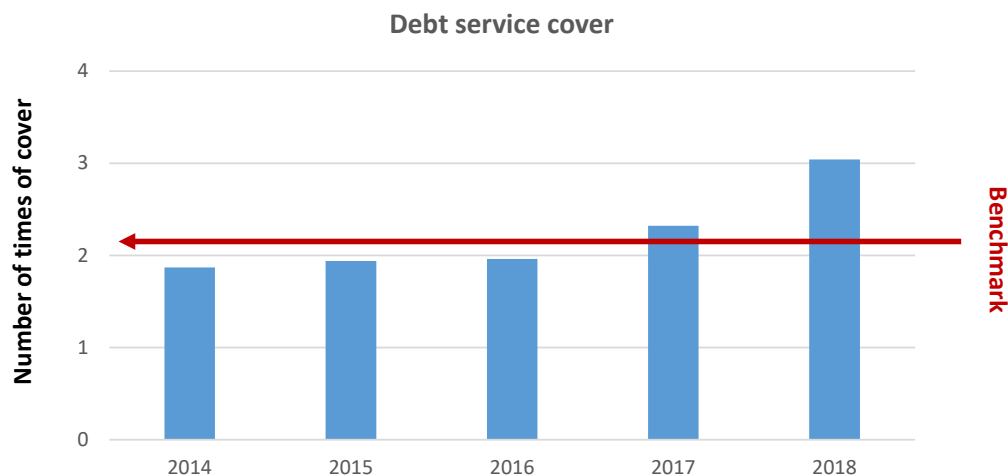
Year on year capital expenditure is highly variable because, apart from funding available from its operating activities, the City is also dependent on grant revenue to carry out its major projects.



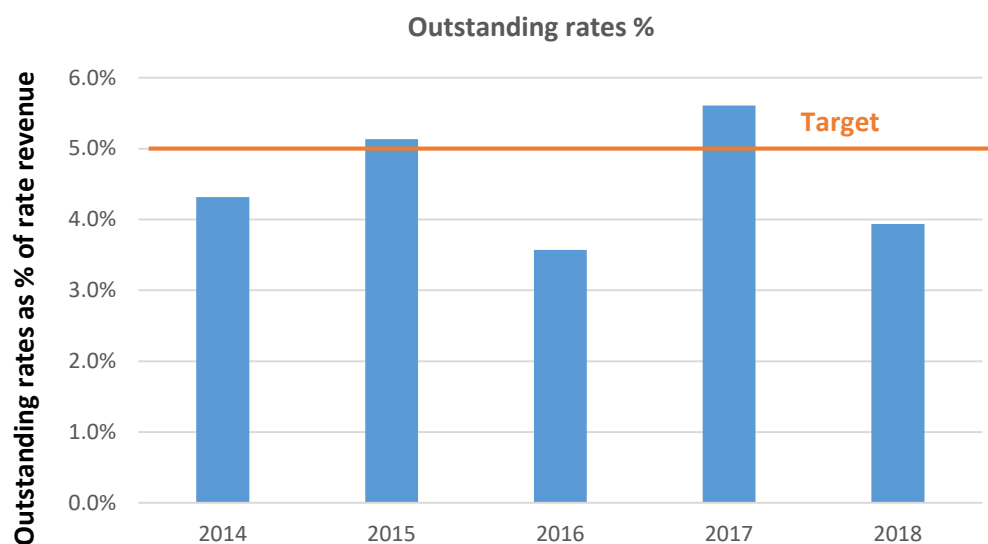
Liquidity is an important issue for any organisation. It measures the ability of an enterprise to settle all of its liabilities, which are due over the next 12 months, at the same time. The benchmark measure of 1 indicates the fact that an organisation can settle its liabilities. In the City's case, its results indicate a healthy cash position but the ratio is not so high as to give rise to concerns about excess funds being held.



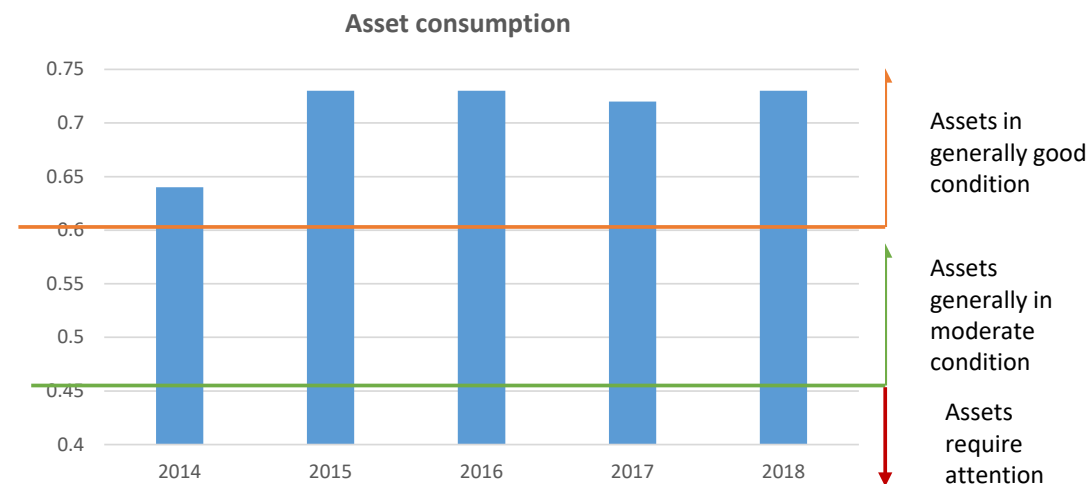
The City utilises borrowings as part of its funding plan for capital expenditure. Overall debt levels are monitored to ensure they stay within acceptable parameters. The generally accepted benchmark for debt levels is that outstanding debt should represent no more than 60% of revenues.



The ability to repay debt, as opposed to the amount of debt, is measured by the debt service cover ratio. This ratio assesses how many times annual principal and interest payments could be paid after operating revenues and expenditure are taken into account.



Cash management is an all-important issue for local government. The primary source of revenue, the City's property rates, is monitored closely to ensure that payment is maximised. In order to achieve this the City has a range of payment options available to help match the needs of the community in being able to pay and the requirements of its cash flow.



The City manages a wide range of infrastructure assets such as roads, bridges, parks and reserves, jetties and buildings. Ensuring that these assets remain in a condition so that they may be enjoyed by the community is a priority. Although asset management is a complex issue, the overall measure of the City's asset condition is positive.

Information Management

Record Keeping Plan

The City is committed to the management of records in accordance with legislative requirements and best practice standards.

The City's Record Keeping Plan was approved by State Records on 24 October 2017, in accordance with section 28 of the State Records Act 2000.

The plan will next be reviewed and submitted by 24 October 2022.

Record Keeping Systems, Training and Awareness

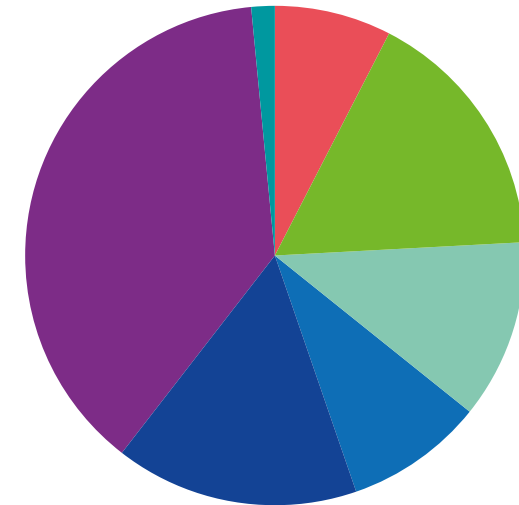
The City implemented SharePoint and Record Point in May 2016 as its mandated primary record keeping system.

This system integrates with the City's Enterprise Resource Planning Suite Authority. All record keeping procedures are reviewed annually or as required.

The City continues to provide the following training and awareness support to staff:

- Compulsory on-line record keeping awareness, focussing on obligations under the State Records Act 2000
- Record keeping system training on induction and refresher sessions
- Broadcasting weekly record keeping tips
- Provision of a wide range of training material

Asset Management: 2017/2018 Gross Replacement Value of Infrastructure Assets by Category (\$ Millions)



	Bridges \$71.93
	Roads, footpaths, kerbs and seals \$512.18
	Parks \$227.97
	Drainage \$179.05
	Buildings \$161.05
	Coastal and estuary \$97.49
	Work in progress \$12.69
	Total \$1.262 Million

Asset Management

Asset Management Strategy

The City's strategic management committee approved an asset management strategy in 2018 to provide a clear direction for the City's management of infrastructure assets. The asset management strategy provides a financial overview on the various infrastructure assets under the City's care and a review on systems/resources supporting the management of the assets.

The improvement action plans identified in the asset management strategy will guide the activities of the asset management team in prioritising and resourcing to

ensure infrastructure assets in the City's asset portfolio are managed according to the communities and projected demands.

Asset Management Plans

The City updated the draft asset management plans in 2017 for roads, bridges, paths, parks and reserves, drainage, marina, waterways and buildings. The plans identify the management systems for the asset classes, predictions of future demand and growth, projected replacements over 5 to 10 year cycles, and identify critical financial ratios. Each of these asset classes have different risks, maintenance and operational requirements.

All of the assets provide a service to the community and support the City in meeting community needs. The review of the plans in 2016/2017 were to align with planning works including the long term financial plan, levels of service consultations and the Community Strategic Plan.

The 2016/2017 draft asset management plans were the main reference documents used to produce the asset management strategy for 2018.

Asset Management in practice

The City's asset management activities include:

- A three yearly cycle of condition inspections of all assets
- Collecting information on assets and maintaining asset registers in a centralised database system
- Updating asset registers for assets created under the capital works or maintenance programs
- Updating asset registers for assets created in subdivision developments such as new roads, parks, waterways and drainage systems
- Mapping asset locations and providing information to the organisation to help service the community more effectively
- Completing annual valuations for financial and legislative reporting
- Preparing forward programs for the renewal of assets that are rated as poor and very poor

These activities comply with national standards, in particular the Institute of Public Works Engineering Australasia's, International Infrastructure Management

Manual and the NAMS.Plus system. Guided by these standards, the City is working on a goal of reaching an intermediate level in asset management maturity by 2020.

Growth and demand

The City's infrastructure assets have now exceeded \$1.0 billion in value. As the City expands from new subdivisions and with an increasing population, the assets coming into the care of the City also increase. The increase in assets leads to an increase in resources and costs required to manage the assets efficiently. The growth and demand projections are currently estimated using best practice methods highlighted in the IPWEA asset management manual.

Awards and recognition

The City is proud to be recognised for achievements in various fields and acknowledges the benefits these projects bring to the Mandurah community.

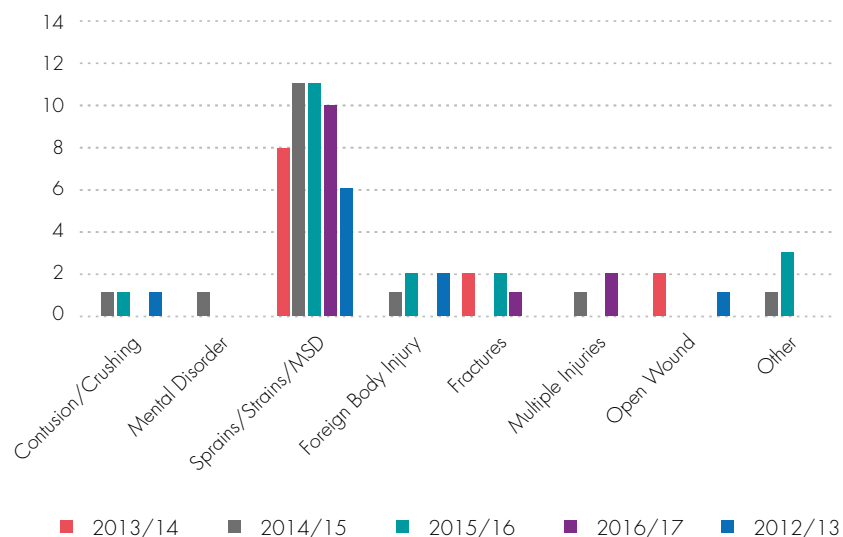
During 2017/2018 the City received:

- 2017 GWN7 Top Tourism Award
- Australian Engineering Excellence Awards – WA Division Finalist, Old Mandurah Traffic Bridge Replacement Project
- Civil Contractors Federation WA Earth Awards, recognising Excellence in Civil Construction, Category \$30m-\$75m
- Shortlisted - The Institution of Structural Engineers (UK) – Award for Vehicle Bridges
- Shortlisted - Institute of Public Administration Australia, Achievement Award for 'Best Practice in Collaboration between Government and Non-Government' category
- Injury Reduction Award
- Night Time Taxi Rank Project – Highly Regarded Award
- Crab Fest again a finalist in the WA Tourism Awards

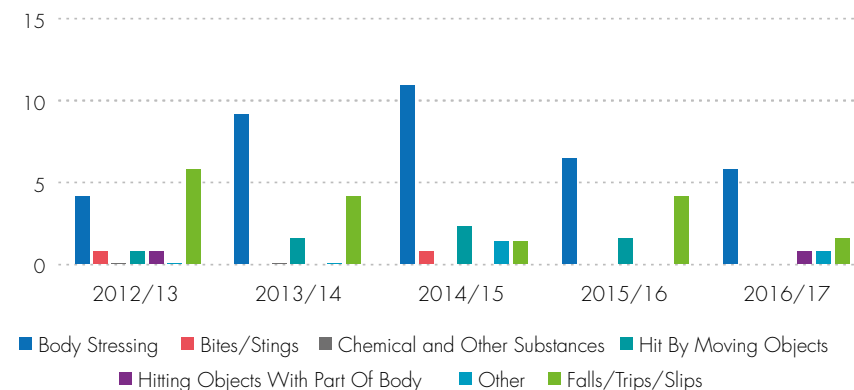
Risk Management

The City's Risk Management Policy (POL-RKM 01) commits it to a risk management framework in accordance with the requirements of the International Standard ISO 31000:2018 risk management guidelines. The City uses *Promapp* Risk and Compliance Module, a cloud based risk management process to record risk action plans, existing controls in place and agreed risk treatment actions including timelines, to manage the mitigation of the City's corporate risk register. *Promapp* generates reports which are utilised to support updates to Council's Audit and Risk Committee. Future enhancements will allow operational and project risks to be managed using *Promapp*.

Nature of lost time injuries - last five years

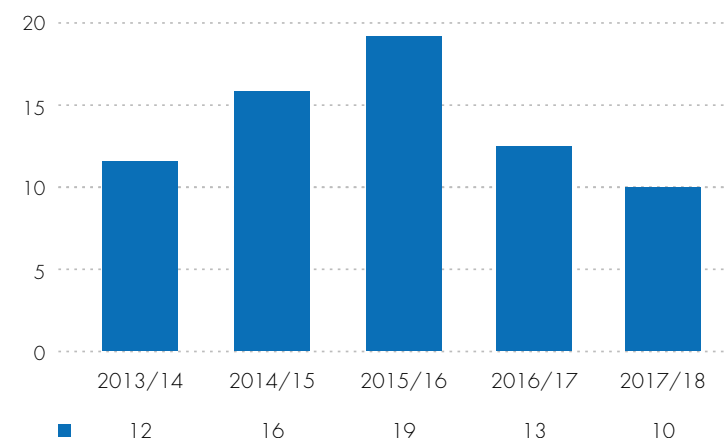


Cause of lost time injuries - last five years






Body stressing caused 63% of all serious injuries. The majority of body stressing claims involved moving plant or equipment. Falls, slips and trips have accounted for 32% of all serious injuries over the last 5 years.

Lost time injuries - last five years



Scorecard

Strategy	Strategic Initiative	Progress	Comment
6.1 Demonstrate regional leadership and advocacy	6.1.1 Build strong leadership capabilities within Council		Elected members continue to participate in national and international forums and attend a wide range of conferences.
	6.1.2 Work collaboratively with Peel councils and other stakeholders to achieve sustainable regional growth		Continued to work with the Shire of Murray on developing and implementing the Mandurah-Murray Economic and Employment Plan (formerly Mandurah-Murray Growth Plan). Active participant in the Peel Regional Leaders Forum.
	6.1.3 Advocate on behalf of the community		The Peel Regional Leaders Forum (PRLF) has taken on the advocacy role on behalf of the City and the current focus is on regional transport, agriculture and food.
6.2 Listen to and engage with our community	6.2.1 Have a community that actively engages with the City and its decision-making		Continued to consult and actively engage with the community in relation to decision making on all major projects including the Mandurah Bridge, City Centre Waterfront, Falcon Bay Shark Barrier and Yalgorup National Park Heritage Listing.
	6.2.2 Communicate with our community and partners in mediums that suit their needs		Continued to communicate with the community and partners in multiple mediums depending on audience and topics. This included print, digital including social media, newsletters and web. The City's social media audiences continued to grow.



Complete



In Progress












Complete for current year and ongoing



Not Commenced

Strategy	Strategic Initiative	Progress	Comment
6.3 Ensure the City has the capacity and capability to deliver appropriate services and facilities	6.3.1 Develop and deliver appropriate services and associated quality of service to serve the needs of the community	●	<p>The City continues to review council services on a regular basis for need, value for money and method of delivery.</p> <p>City of Mandurah service delivery standards were reviewed during 2017/2018.</p> <p>The City measures post transaction customer satisfaction monthly and has been consistently meeting an overall satisfaction rating in excess of 85%.</p> <p>The biennial community perceptions survey was conducted in 2017/2018, receiving positive results. These results will be used to improve the City's service delivery and the long term visioning process.</p> <p>All business units have, or are in the process of introducing a range of service metrics.</p>
	6.3.2 Use technology to support transformation within council and proactively address community needs	●	<p>Implemented a number of productivity and service improvements through technology and business processes.</p> <p>Commenced the delivery of the Systems and Technology Work Plan with a range of key initiatives being completed including; increased public WiFi rollout including 8 extra locations, increased CCTV locations across the City, Internet of Things (IoT) network across the City, leverage (IoT) network to implement a water wise project, monitoring water leaks and water usage across the City.</p> <p>Invested in a new rostering system to improve efficiencies. Continued to rollout mobile devices and systems to create an agile and mobile workforce.</p>
	6.3.3 Embrace sustainable asset management practices for managing the built environment	●	<p>Council adopted an Asset Management Strategy that drives the development of asset management plans to inform maintenance and construction programs. Detailed inspections and assessment of assets has been undertaken.</p>

Strategy	Strategic Initiative	Progress	Comment
6.4 Deliver excellent governance and financial management	6.4.1 Continually improve business practices to remove barriers and ensure quality matches the needs of the community		The City continued to undertake and implement a number of service reviews. The initiatives from those reviews are aimed at improving the quality of services delivered.
	6.4.2 Meet all governance standards and legislative requirements		Continued to meet and comply with statutory obligations. Completed review of two local laws. Reviewed Delegations of Authority. A desktop review of the authorised officers schedule was also undertaken. Code of conduct, social media and IT training continued to be delivered to all staff. Strategy for environmental offsets and clearing permits created and endorsed by Council including internal policy and procedures
	6.4.3 Ensure long term sustainability through good financial practices, resource planning, land use planning, sound business planning and management		Continued to review the corporate business plan and prioritise capital projects in a long term capital plan. The workforce plan established with strategies on culture, leadership, talent, sourcing, learning, systems & analytics, diversity and OSH/risk management. The implementation of two associated strategies has begun and will ensure the capability and people resources to meet longer term talent needs. Continued to review asset management ratings and standards to ensure facilities provided to the community are of the highest standard. Reviewed the long term financial plan and developed key indicators for financial sustainability as a way of monitoring and improving financial performance and providing properly for the future funding of services and capital investment. Introduced electronic distribution of accounts payable to improve the City's services to its suppliers and contractors.
	6.4.4 Ensure community accountability through transparent and accessible reporting		The 2016/2017 Annual Report was released in early 2018. The Annual Report reports progress against the objectives of the City's current corporate business plan.
	6.4.5 Manage the organisation's risk		The City of Mandurah is committed to the principles of risk assessment as established in Australian Standards, adopting a rigorous process within the Enterprise Risk Management (ERM) system for risk identification, risk analysis and risk evaluation. The City implemented an electronic self-service system to manage enterprise risks. The implementation of the new system is intended to ensure that risk and compliance awareness becomes an everyday activity for all City processes. Reports on the City's risk profile and corporate risk action plans reported to the City's Audit and Risk Committee. Established procurement, Contracts, Conflicts of Interest, Complaints, Intellectual Property and Fraud and Corruption Prevention frameworks.

Strategy	Strategic Initiative	Progress	Comment
6.5 Build and retain a skilled, motivated and healthy workforce	6.5.1 Develop a flexible, capable and engaged workforce that meets the changing needs of the community		The eight strategies of the workforce plan have been developed to ensure the City has the talent and capability required to meet the future challenges of the community and external environment. Action plans have progressed across the business to address causal factors identified in the 2017 Culture Survey.
	6.5.2 Build strong leadership capabilities within the City of Mandurah		Continued the leadership and culture program together with the implementation of a talent management and leadership framework through the workforce plan strategies.
	6.5.3 Provide a safe working environment by implementing an Occupational Safety and Health Plan		The City's current 3 year Occupational Safety and Health Plan is close to completion and work has commenced on developing the 2019-2022 plan. Drug and alcohol testing for City staff continued in 2017/2018. Continued to fund the Employee Assistance Program and wellbeing initiatives. Occupational safety and health continues to be a whole of organisation responsibility and has resulted in positive outcomes in the year with a reduction in Lost Time Injuries.
	6.5.4 Develop a shared focus on accountability and performance		Emphasis on diversity in the workforce plan will lift the focus on women in leadership, disability inclusiveness and Aboriginal and Torres Strait Islander employment and traineeships. Quarterly reporting of accountabilities is now in place and annual reporting to the community takes place via the annual report.

Service Performance



1,806,744

Household refuse bins collected



809,084

Household recycling bins collected



2,613

Building applications approved



30,000

Native seedlings planted at
community tree planting events

Connecting with our community

Number of customer service counter visits **48,160**

Telephone calls to customer service **79,123**

Calls resolved at first point of contact (contact centre) **81.64%**

Calls answered within 20 seconds **71.64%**

Items borrowed from Mandurah libraries **428,815**

New library members **6,118**

Active library members **31,296**

Number of digital hub training participants **823**

Library visits **355,464**

eBook, eAudio and eMagazine issues **45,207**

Mandurah Seniors and Community Centre members **2,074**

Tonnes of household waste collected (tonnes) **29,021**

Tonnes of household recyclables collected (tonnes) **8,658**

Tonnes of green waste collected over two verge collections (tonnes) **2,381**

Connecting with our community

Tonnes of junk collected in one junk verge collection **1,494 tonnes**

Waste collected from street and park bins (tonnes) **1,411**

Reported dog wanders **2,106**

Reported dog attacks **273**

Number of burials **50**

Ashes niche placements **46**

Private swimming pool and spa inspections **1,252**

Food premise inspections **1,056**

Water sample collections (swimming beaches) **97**

Water sample collections (public swimming pools) **847**

Seniors and Community Centre Visits **115,000**

Recreation centre visits **973,894**

Recreation centre health and fitness members **3,492**

Swim school enrolments **4,088**

Kidsport applications processed **1,472**

Service Performance

Five Year Summary

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
Post transaction customer satisfaction	N/A	84.6%	90%	89%	92%
CRM resolution rate (within SLA)	79.7%	74.9%	75.2%	78.5%	78%
First Point of Contact Resolution Rate	66.9%	66.4%	69.0%	73.54%	81.64%
Speed of Answer % within 20 seconds	71.7%	77.7%	75.4%	71.61%	71.64%
FOI valid applications received and completed	5	9	5	4	3
Development Applications % processed within statutory time frame	96	91	96	99.5	98
Subdivisions Applications % processed within statutory time frame	94	99	100	98	96
Building licences % processed within statutory time frame	100%	100%	100%	100%	100%

Year on Year Growth

	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018
Number of library visits	365,328 +8.9%	353,916 -3.1%	336,029 -5.1%	308,808 +8.1%	355,464 +15.1%
Number of annual visitations to the MARC	584,875 -11.7%	298,532 -49.0%	687,853 +130.4%	852,576 +23.9%	874,592 +2.6%
Number of annual visitations to the HHCRC	112,511 +11.0%	114,653 +1.9%	126,018 +9.9%	120,784 -4.2%	99,302 -17.8%
Number of Mandurah Seniors and Community Centre (formerly Ac-cent Mandurah) members (Membership year ends 30 Sep)	N/A	N/A	1,958	2,080 +6.2%	2,074

Image Credits



Cover: *Mandurah Bridge, 2017, City of Mandurah*

Page 2: *City of Mandurah Administration Customer Service, 2016, City of Mandurah*

Page 3: *Eastern Foreshore, 2017, City of Mandurah*

Page 5: *Mandurah Stretch Arts Festival, 2018, Photograph by Daniel Wilkins*

Page 21: *Mandurah Fig Tree, 2011, Photograph by Christian Sprogoe*

Page 26: *Ariel Shot of Mandurah, 2012, City of Mandurah*

Page 31: *Mandurah Stretch Arts Festival, 2018, Photograph by Daniel Wilkins*

Page 35: *Street Entertainers at Mandurah Crab Fest, 2018, Photograph by Daniel Wilkins*

Page 40: *Mandurah Bridge Celebration Picnic, 2018 City of Mandurah*

Page 45: *Australia Day, 2018, City of Mandurah*

Page 49: *Mandurah Foreshore Redevelopment, 2018, City of Mandurah*

Page 53: *City Careers Information Technology, 2009, City of Mandurah*

Page 55: *City Careers Operations Centre, 2009, City of Mandurah*

Page 63: *Pelicans at Novara, 2008, Photo by Janette Larobina*



City of Mandurah Financial Statements

2017-2018



CITY OF MANDURAH
FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

CONTENTS

	Page
Independent auditor's report	i
Statement by chief executive officer	iv
Statement of comprehensive income by program	1
Statement of comprehensive income by nature or type	2
Statement of financial position	3
Statement of changes in equity	4
Rate setting statement	5
Statement of cash flows	6
 Notes to the financial statements	
1 Significant accounting policies	7
2 Statement of objectives and program description	14
3 Revenue and expenses	15
4 Significant non-cash revenue	16
5 Cash and cash equivalents	16
6 Receivables	17
7 Inventories	18
8 Payables	18
9 Provisions	18
10 Long term borrowings	18
11 Property, plant, equipment and infrastructure	19
12 Assets movement in carrying amounts	20
13 Depreciation of assets	20
14 Disposal of assets	21
15 Total assets classified by function and activity	21
16 Fees and charges	22
17 Elected members' benefits	22
18 Notes to the cash flow statement	23
19 Number of employees	24
20 Payments to employees	24
21 Conditions over grants and contributions	24
22 Rating information	25
23 Interest charges and instalments	27
24 Specified area rates	27
25 Service charges	28
26 Borrowings	29
27 Reserves - asset revaluation	34
28 Reserves - cash backed	35
29 Commitments for expenditure	42
30 Bonds and deposits	43
31 Trust funds	43
32 Current position as at 1 July 2017	43
33 Performance measures - financial ratios	44
34 Contingent liabilities	44
35 Major land transactions	45
36 Events after the reporting period	45
37 Financial instruments	46
38 Fair value measurement	49
39 Related party transactions	54

The City of Mandurah is a body corporate pursuant to the Local Government Act 1995 (as amended) section 2.5. It is incorporated and domiciled in Australia. The City's principal place of business is 3 Peel Street, Mandurah Western Australia.

Independent Auditor's Report to the Rate Payers of the City of Mandurah

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of City of Mandurah (the "City") which comprises the statement of financial position as at 30 June 2018, the statement of comprehensive income by program, the statement of comprehensive income by nature or type, the statement of changes in equity, the statement of cash flows and the rate setting statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the statement by the Chief Executive Officer as set out on page iv and pages 1 to 55.

In our opinion, the accompanying financial report:

- (i) is based on proper accounts and records; and
- (ii) presents fairly, in all material respects, the City's financial position as at 30 June 2018 and of its financial performance and its cash flows for the year then ended in accordance with the requirements of the Local Government Act 1995 Part 6 (the "Act") and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the City in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Chief Executive Officer of the City is responsible for the preparation of the financial report in accordance with the requirements of the Local Government Act 1995 Part 6 and, to the extent that they are not inconsistent with the Act, Australian Accounting Standards, and for such internal control as the Chief Executive Officer determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive Officer is responsible for assessing the ability of the City to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the State Government either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

The Council of the City is responsible for overseeing the financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

We communicate with the Chief Executive Officer and the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

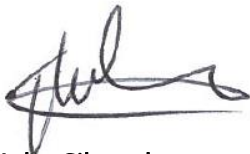
Report on Other Legal and Regulatory Requirements

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

- We did not become aware of any material matters that indicate significant adverse trends in the financial position or the financial management practices of the local government.
- We did not become aware of any instance where the Council did not materially comply with the requirements of Part 6 of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996 as they apply to financial statements.
- All required information and explanations were obtained by us.
- All procedures were satisfactorily completed.
- In our opinion, the asset consumption ratio and the asset renewal funding ratio included in the financial report were supportable by verifiable information and reasonable assumptions.

DELOITTE TOUCHE TOHMATSU

DELOITTE TOUCHE TOHMATSU



John Sibenaler

Partner

Chartered Accountants

Perth, 12 December 2018

CITY OF MANDURAH
FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the City of Mandurah being the annual financial report and supporting notes and other information for the financial year ended 30 June 2018 are, in my opinion, properly drawn up so as to present fairly the financial position of the City of Mandurah at 30 June 2018 and the results of its operations for the year then ended in accordance with Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the Regulations under that Act. In my opinion, there are reasonable grounds to believe that the City of Mandurah will be able to pay its debts as and when they become due and payable.

Signed on the 12 day of December 2018



Mark Newman
Chief Executive Officer

CITY OF MANDURAH
STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2017/18 ACTUAL \$'000	Un-audited 2017/18 BUDGET \$'000	2016/17 ACTUAL \$'000
Revenue				
General Purpose Funding		80,317	80,715	78,521
Governance		5	50	54
Law, Order, Public Safety		867	799	1,239
Health		319	276	300
Education and Welfare		592	697	541
Community Amenities		13,961	13,381	13,757
Recreation and Culture		7,483	9,354	6,851
Transport		2,917	412	4,114
Economic Services		2,040	2,095	1,964
Other Property and Services		603	360	723
		<u>109,104</u>	<u>108,139</u>	<u>108,064</u>
Expenses				
General Purpose Funding		(2,379)	(1,944)	(2,473)
Governance		(6,397)	(6,112)	(5,821)
Law, Order, Public Safety		(3,731)	(3,329)	(3,593)
Health		(1,950)	(1,943)	(1,860)
Education and Welfare		(3,852)	(4,254)	(3,895)
Community Amenities		(16,932)	(17,562)	(18,488)
Recreation and Culture		(45,442)	(53,549)	(43,432)
Transport		(27,776)	(18,171)	(25,214)
Economic Services		(5,893)	(6,171)	(5,646)
Other Property and Services		(9,587)	(10,094)	(8,608)
		<u>(123,939)</u>	<u>(123,129)</u>	<u>(119,030)</u>
Profit / (Loss) on Asset Disposal				
General Purpose Funding		-	-	-
Governance		-	-	-
Law, Order, Public Safety		-	-	13
Education and Welfare		-	-	-
Health		-	-	-
Community Amenities		-	-	-
Recreation and Culture		(1,854)	-	(516)
Transport		(1,064)	-	(3,975)
Economic Services		-	-	-
Other Property and Services		(166)	109	(388)
		<u>(3,084)</u>	<u>109</u>	<u>(4,866)</u>
Sub total		(17,919)	(14,881)	(15,832)
Non Operating Grants, Subsidies and Contributions				
General Purpose Funding		25	-	25
Law, Order, Public Safety		155	-	54
Education and Welfare		287	437	-
Community Amenities		25	120	-
Recreation and Culture		4,178	3,224	6,787
Transport		39,574	3,159	15,757
Other Property and Services		32	-	30
		<u>44,276</u>	<u>6,940</u>	<u>22,653</u>
NET PROFIT/(LOSS)	3	<u>26,357</u>	<u>(7,942)</u>	<u>6,821</u>
Other Comprehensive Income				
Items that will not be reclassified subsequently to profit or loss:				
Gain/(loss) on revaluation of land		-	-	-
Gain/(loss) on revaluation of buildings		-	-	-
Gain/(loss) on revaluation of furniture and fittings		-	-	-
Gain/(loss) on revaluation of plant and machinery		14	-	-
Gain/(loss) on revaluation of roads		25,968	-	1,528
Gain/(loss) on revaluation of bridges		1,869	-	-
Gain/(loss) on revaluation of drainage		5,793	-	3,004
Gain/(loss) on revaluation of coastal		3,984	-	612
Gain/(loss) on revaluation of parks		39,521	-	1,119
Total Other Comprehensive Income		<u>77,149</u>	<u>-</u>	<u>6,262</u>
TOTAL COMPREHENSIVE INCOME		<u>103,506</u>	<u>(7,942)</u>	<u>13,084</u>

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

CITY OF MANDURAH
STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2017/18 ACTUAL \$'000	Un-audited 2017/18 BUDGET \$'000	2016/17 ACTUAL \$'000
Revenue				
Rates	22	74,780	74,929	71,546
Operating grants, subsidies and contributions		6,020	5,302	8,835
Fees and charges	16	25,567	25,522	24,648
Interest earnings	3	2,064	2,200	2,052
Other revenue/income		671	185	983
		<u>109,102</u>	<u>108,138</u>	<u>108,064</u>
Expenses				
Employee costs		(43,881)	(41,948)	(41,393)
Materials and contracts		(42,447)	(43,878)	(40,158)
Utilities (gas, electricity, water etc.)		(4,046)	(3,452)	(4,023)
Depreciation on non-current assets	13	(30,583)	(31,317)	(29,219)
Interest expenses	3, 26(b)	(1,266)	(1,414)	(1,376)
Insurance expenses		(781)	(944)	(852)
Other expenses		(533)	(176)	(1,609)
		<u>(123,537)</u>	<u>(123,129)</u>	<u>(118,630)</u>
Sub-total		(14,435)	(14,991)	(10,566)
Non Operating Grants, Subsidies and Contributions		44,276	6,940	22,653
Assets Ceded to the Crown		(401)	-	(401)
Profit/(Loss) on Disposal of Assets		(3,084)	109	(4,866)
NET PROFIT/(LOSS)		<u>26,357</u>	<u>(7,942)</u>	<u>6,821</u>
Other Comprehensive Income				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Gain/(loss) on revaluation of land		-	-	-
Gain/(loss) on revaluation of buildings		-	-	-
Gain/(loss) on revaluation of furniture and fittings		-	-	-
Gain/(loss) on revaluation of plant and machinery	14	-	-	-
Gain/(loss) on revaluation of roads		25,968	-	1,528
Gain/(loss) on revaluation of bridges		1,869	-	-
Gain/(loss) on revaluation of drainage		5,793	-	3,004
Gain/(loss) on revaluation of coastal		3,984	-	612
Gain/(loss) on revaluation of parks		39,521	-	1,119
Total Other Comprehensive Income		<u>77,149</u>	<u>-</u>	<u>6,263</u>
TOTAL COMPREHENSIVE INCOME		<u>103,506</u>	<u>(7,942)</u>	<u>13,084</u>

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

CITY OF MANDURAH
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2018

	NOTE	2017/18 ACTUAL \$'000	2016/17 ACTUAL \$'000
CURRENT ASSETS			
Cash and cash equivalents	5	49,081	43,887
Receivables	6(a)	6,236	7,410
Inventories	7	307	320
TOTAL CURRENT ASSETS		<u>55,624</u>	<u>51,617</u>
NON CURRENT ASSETS			
Receivables	6(b)	2,591	3,572
Property plant and equipment	11, 12	260,583	262,151
Infrastructure	11, 12	775,648	672,817
TOTAL NON-CURRENT ASSETS		<u>1,038,822</u>	<u>938,540</u>
TOTAL ASSETS		<u>1,094,446</u>	<u>990,157</u>
CURRENT LIABILITIES			
Payables	8	9,367	9,177
Provisions	9	8,130	7,567
Borrowings	10, 26(b)	4,841	5,642
TOTAL CURRENT LIABILITIES		<u>22,338</u>	<u>22,386</u>
NON CURRENT LIABILITIES			
Provisions	9	911	991
Borrowings	10, 26(b)	24,364	23,453
TOTAL NON-CURRENT LIABILITIES		<u>25,275</u>	<u>24,444</u>
TOTAL LIABILITIES		<u>47,613</u>	<u>46,830</u>
NET ASSETS		<u>1,046,833</u>	<u>943,327</u>
EQUITY			
Accumulated surplus		291,721	264,748
Reserves - Asset Revaluation	27	724,857	647,708
Reserves - Cash Backed	28	30,255	30,871
TOTAL EQUITY		<u>1,046,833</u>	<u>943,327</u>

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

CITY OF MANDURAH
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

NOTE	Accumulated surplus \$'000	Reserves - cash backed \$'000	Reserves - asset revaluation \$'000	Total \$'000
Balance as at 1 July 2016	248,727	40,071	641,445	930,243
Gain on revaluation of non-current assets	-	-	6,263	6,263
Other comprehensive income	-	-	6,263	6,263
Net Profit	6,821	-	-	6,821
Total comprehensive income	6,821	-	6,263	13,084
Transfer to accumulated surplus from cash backed reserves	9,200	(9,200)	-	-
Balance as at 30 June 2017	264,748	30,871	647,708	943,327
Gain on revaluation of non-current assets	-	-	77,149	77,149
Other comprehensive income	-	-	77,149	77,149
Net Profit	26,357	-	-	26,357
Total comprehensive income	26,357	-	77,149	103,506
Transfer to accumulated surplus from cash backed reserves	616	(616)	-	-
Balance as at 30 June 2018	291,721	30,255	724,857	1,046,833

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

CITY OF MANDURAH
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2017/18 ACTUAL \$'000	Un-audited 2017/18 BUDGET \$'000	2016/17 ACTUAL \$'000
Revenue				
General Purpose Funding		5,536	5,786	6,975
Governance		5	50	54
Law, Order, Public Safety		867	799	1,239
Health		319	276	300
Education and Welfare		592	697	539
Community Amenities		13,960	13,381	13,757
Recreation and Culture		7,483	9,354	6,851
Transport		2,917	412	4,113
Economic Services		2,040	2,095	1,964
Other Property and Services		674	509	758
		34,393	33,359	36,550
Expenses				
General Purpose Funding		(2,379)	(1,944)	(2,473)
Governance		(6,397)	(6,112)	(5,820)
Law, Order, Public Safety		(3,731)	(3,329)	(3,593)
Health		(1,950)	(1,943)	(1,860)
Education and Welfare		(3,852)	(4,254)	(3,895)
Community Amenities		(16,932)	(17,562)	(18,487)
Recreation and Culture		(47,296)	(53,548)	(43,948)
Transport		(28,841)	(18,171)	(29,189)
Economic Services		(5,893)	(6,171)	(5,646)
Other Property and Services		(9,875)	(10,049)	(9,029)
		(127,146)	(123,083)	(123,940)
Other Inflows				
Capital grants and contributions		44,276	6,940	22,653
Proceeds from disposal of assets	14	1,969	1,614	2,062
Reserves utilised	28	9,220	7,469	18,757
Loans utilised	26(a)	4,466	6,200	5,817
Contributions - community loans		1,245	270	918
		61,176	22,493	50,207
Capital Works Program				
Development of land for resale		-	-	-
Land and buildings		(3,736)	(10,817)	(12,826)
Furniture and fittings		(515)	(515)	(83)
Plant and machinery		(2,304)	(3,433)	(2,387)
Infrastructure assets - roads, drainage & bridges		(12,366)	(13,247)	(22,990)
Infrastructure assets - recreation infrastructure		(3,387)	(4,168)	(2,129)
Infrastructure assets - marina		-	(2,866)	-
Infrastructure assets - coastal & estuary		(1,217)	-	(2,019)
Infrastructure assets - other		(430)	-	(1,045)
		(23,955)	(35,046)	(43,478)
Other Outflows				
Repayment of loan debt	26(b)	(6,655)	(5,229)	(5,187)
Transfers to reserves	28	(8,604)	(1,238)	(9,557)
Loans to community and sporting bodies		(40)	-	(100)
		(15,299)	(6,467)	(14,844)
Non Cash Items				
Donated assets	4	(35,695)	-	(9,919)
Loss on sale of assets	14	3,084	(109)	4,866
Write back depreciation	13	30,584	31,317	29,219
Long service leave now in reserves		312	-	84
		(1,715)	31,208	24,250
Add: Surplus July 1 b/fwd	32	4,581	2,260	4,290
Less: Surplus June 30 c/fwd		6,815	(350)	4,581
Amount Required from Rates		(74,780)	(74,928)	(71,546)

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

CITY OF MANDURAH
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2017/18 ACTUAL \$'000	Un-audited 2017/18 BUDGET \$'000	2016/17 ACTUAL \$'000
Cash flows from operating activities				
Receipts				
Rates		75,691	74,924	71,694
Operating grants, subsidies and contributions		6,490	5,094	8,364
Fees and charges		26,261	25,627	24,165
Interest earnings		1,380	2,270	2,257
Other revenue		720	185	982
Goods and services tax		53	6,000	8
Movement in bonds & deposits		-	-	-
		<u>110,596</u>	<u>114,100</u>	<u>107,470</u>
Payments				
Employee costs		(44,372)	(41,904)	(40,817)
Materials and contracts		(42,336)	(43,827)	(41,015)
Utilities (gas, electricity, water etc.)		(3,868)	(3,452)	(4,096)
Interest expense		(1,257)	(1,384)	(1,371)
Insurance		(787)	(944)	(939)
Other expenses		(395)	(176)	(784)
Goods and services tax		-	(6,000)	-
Movement in bonds & deposits		(95)	-	(74)
Movement in funds held		(98)	-	-
		<u>(93,208)</u>	<u>(97,687)</u>	<u>(89,096)</u>
Net cash flows from operating activities	18(b)	<u>17,388</u>	<u>16,413</u>	<u>18,374</u>
Cash flows from investing activities				
Receipts				
Non-operating grants, subsidies and contributions		8,527	6,940	13,466
Disposal of property, plant and equipment		2,048	1,614	2,126
Payments				
Purchase and construction of assets		(24,105)	(35,046)	(45,111)
Net cash outflows from investing activities		<u>(13,530)</u>	<u>(26,492)</u>	<u>(29,519)</u>
Cash flows from financing activities				
Proceeds from borrowing		6,765	6,200	5,240
Repayment of borrowing		(6,655)	(5,229)	(5,188)
Loans to community & sports bodies		(40)	-	(100)
Proceeds from community loan repayments		1,267	270	222
Net cash provided by financing activities		<u>1,337</u>	<u>1,241</u>	<u>174</u>
Net (decrease)/increase in cash and cash equivalents held		5,195	(8,838)	(10,971)
Cash and cash equivalents at 1 July		<u>43,887</u>	<u>41,577</u>	<u>54,858</u>
Cash and cash equivalents at 30 June	5, 18(a)	<u>49,081</u>	<u>32,739</u>	<u>43,887</u>

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

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

1. Significant accounting policies

Statement of compliance

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not for profit entities) and Interpretations of the Australian Accounting Standards Board, the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996.

(a) Basis of preparation

The financial report has been prepared on the accrual basis under the convention of historical cost accounting as modified by the accounting treatment relating to the revaluation of certain classes of non-current assets. All amounts are stated in Australian dollars unless otherwise noted. The entity is a not for profit entity.

(b) The local government reporting entity

The financial statements forming part of this report have been prepared on the basis of all funds controlled by the City. This includes municipal and reserve funds.

All monies held in the Trust Fund are excluded from the financial statements because the monies cannot be used for council purposes, but a separate statement of those monies appears in Note 31 to these financial statements.

(c) Critical accounting judgements and key sources of estimation uncertainty

In the application of the City's accounting policies, the council is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Refer to note 38 for details of the key estimates.

(d) Comparatives

Where applicable, prior year comparative figures have been adjusted to reflect changes in presentation for the current year.

(e) Rounding of figures

All figures shown in this annual report, other than a rate in the dollar, are rounded to thousands of dollars.

(f) Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash, which are subject to an insignificant risk of changes in value and have a maturity of six months or less at the date of acquisition.

(g) Financial Assets

Investments are recognised and derecognised on trade date where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Other financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss', 'held-to-maturity investments', 'available-for-sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

1. Significant accounting policies (continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period.

Income is recognised on an effective interest rate basis for debt instruments other than those financial assets 'at fair value through profit or loss'.

Financial assets at fair value through profit or loss

- has been acquired principally for the purpose of selling in the near future;
- is a part of an identified portfolio of financial instruments that the City manages together and has a recent actual pattern of short-term profit-taking; or
- is a derivative that is not designated and effective as a hedging instrument.

Financial assets at fair value through profit or loss are stated at fair value, with any resultant gain or loss recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

Held to maturity investments

Bills of exchange and debentures with fixed or determinable payments and fixed maturity dates that the City has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are recorded at amortised cost using the effective interest method less impairment, with revenue recognised on an effective yield basis.

Loans and receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method less impairment.

Interest income is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of financial assets including uncollectible trade receivables is reduced by the impairment loss through the use of an allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in equity.

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

1. Significant accounting policies (continued)

Derecognition of financial assets

The City derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the City neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the City recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the City retains substantially all the risks and rewards of ownership of a transferred financial asset, the City continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(h) Inventories

Inventories are stated at the lower of cost or net realisable value. Costs are assigned to inventory on an average cost basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

(i) Rates, grants, donations and other contributions

Rates, grants, donations and other contributions are recognised as revenues when the City 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. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured, and the timing of commencement of control depends upon the arrangements that exist between the grantor and the City.

Contributions over which the City has control but which had not yet been received at the reporting date are accrued and recognised as receivables.

Where grants and 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 in Note 21.

(j) Investment property

Investment property which is property held to earn rentals and/or for capital appreciation, is measured initially at its cost, including transaction cost. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

(k) Property, plant, equipment and infrastructure

Property, plant and equipment are carried at either cost or fair value as indicated less where applicable any accumulated depreciation and impairment losses.

Land and buildings are carried at fair value determined through independent valuations. Furniture and fittings, plant and machinery are carried at fair value determined through combination of independent valuation and management valuation.

Infrastructure roads, paths, kerbs, drainage, bridges, parks and coastal and estuary infrastructure are measured at fair value using professional valuers estimates of the current replacement having regard to the age and remaining useful lives of the assets. The City's policy is to re-value these infrastructure assets with sufficient regularity to ensure the carrying amounts are fairly stated.

Marina and land improvement assets are carried at cost.

The valuation techniques used in the determination of fair values maximise the use of observable data where it is available, are based on past actual outcomes and rely as little as possible on entity specific estimates. Where estimates are used, these represent the most probable outcome in management's judgement and are subject to annual review against actual outcomes in subsequent periods. The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining economic life for assets measured using the depreciated replacement cost. The disclosure of valuation estimates is designed to provide users with an insight into the judgements that management has made in the determination of fair values.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

1. Significant accounting policies (continued)

(k) Property, plant, equipment and infrastructure (continued)

Items of property, plant equipment and infrastructure, excluding freehold land, are depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets. Depreciation is recognised on a straight-line basis, using rates which are reviewed at the end of each annual reporting period as follows:

<u>Classification</u>	<u>Years</u>	
Buildings	40 - 60	
Plant and major equipment	5	
Mobile plant (according to type)	5-10	
Computer equipment	3	
Furniture and equipment	10	
Tools	5	
Footpaths/cycleways	20 - 40	dependent on material type
Roads	25 - 100	for individual components
Drainage	80	
Parks	5 - 100	for individual components
Bridges	60 - 100	dependent on material type
Coastal & estuary groynes, boat ramps	20 - 50	for individual components

The financial effect in future periods of the reassessment of estimated useful lives of various infrastructure assets is not disclosed as it is considered impracticable to estimate that effect.

(l) Capitalisation policies

Property, plant, equipment and infrastructure are capitalised if the value exceed the thresholds below:

<u>Classification</u>	<u>\$</u>
Land	0
Buildings	5,000
Plant and equipment	1,500
Furniture and equipment	1,500
Tools	1,500
Footpaths/cycleways	5,000
Roads	10,000
Reseals	2,000
Drainage	10,000
Reticulation	5,000
Playground equipment	1,500
Park construction	10,000
Bridges	10,000

Land under roads:

The City has elected not to recognise land under roads acquired on or before 30 June 2008 in accordance with AASB 1051. In addition, the City is required by Regulation 16 of the Local Government (Financial management) Regulations 1996 not to recognise value for land under roads as this is deemed to be Crown land

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

1. Significant accounting policies (continued)

(m) Impairment of assets

At each reporting date, the City reviews the carrying amount of its assets to determine whether there is indication of impairment loss. If any such prescribed indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the loss.

Recoverable amount is the higher of fair value less costs to sell and value in use. As the future economic benefits of City assets are not primarily dependent on the assets' ability to generate net cash inflow and the City would, if deprived of the asset(s), replace its remaining future economic benefits, value in use is the depreciated replacement cost of the asset(s).

If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised immediately in profit and loss unless the relevant asset is carried at fair value, in which case the loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised amount of its recoverable amount, but only to the extent of any previous impairment loss recognised in prior years. A reversal of an impairment is recognised immediately in profit and loss unless the asset is carried at fair value, in which case the reversal of the impairment loss is treated as a revaluation increase.

(n) Financial liabilities - other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(o) Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave incentive scheme when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are classified as short term benefits and measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are classified as long term benefits and measured as the present value of the estimated future cash outflows to be made by the City in respect of services provided by employees up to reporting date.

(p) Superannuation

The City contributes to the Local Government Superannuation Plan on the basis of a \$1 for every \$1 contributed to the fund by employees, to a maximum of 4% of the employee's salary. The City also contributes to employee nominated superannuation funds an amount calculated at 9.5% of the employee's gross salary and wages (Superannuation Guarantee Contributions). All contributions made by the City during the reporting period are shown as an expense. No liability for accumulated benefits has been recognised in these financial statements.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

1. Significant accounting policies (continued)

(q) Leases of assets

All City lease are classified as operating leases.

City as lessor

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. However, contingent rentals arising under operating leases are recognised as income in a manner consistent with the basis on which they are determined.

Initial indirect costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

City as lessee

Operating lease payments are recognised as an expense on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which the economic benefits of the leased assets are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(r) Good and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except

i. where the amount of GST incurred is not recoverable from the Australian Tax Office, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense;

or

ii. for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the Australian Tax Office is included as part of receivables or payables.

Cash flows are included in the cash flow statement on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the Australian Tax Office are classified within operating cash flows.

(s) Adoption of new and revised accounting standards

The City has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to the City's operations and are effective for the current financial reporting period beginning 1 July 2016. The adoption of these standards and interpretations did not have a material impact on the City.

(t) Standards and interpretations issued not yet effective

At the date of authorisation of the financial report, a number of Standards and Interpretations were in issue but not yet effective.

Standard/Interpretation	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
• AASB 9 'Financial Instruments', and the relevant amending standards	1-Jan-18	30-Jun-19
• AASB 15 'Revenue from Contracts with Customers', AASB 2014-5 'Amendments to Australian Accounting Standards arising from AASB 15', AASB 2015-8 'Amendments to Australian Accounting Standards – Effective Date of AASB 15', and AASB 2016-3 'Amendments to Australian Accounting Standards – Clarifications to AASB 15'	1-Jan-18	30-Jun-19
• AASB 16 'Leases'	1-Jan-19	30-Jun-20
• AASB 1058 'Income of Not-for-profit Entities (incorporating AASB 2016-7 and AASB 2016-8)	1-Jan-19	30-Jun-20

The City is in the process of assessing the impact of these standards

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

2. Statement of Objectives and Program Description

City of Mandurah Mission Statement:

Create a vibrant and sustainable community, maximising opportunities through innovation and partnership.

The City of Mandurah is dedicated to providing high quality services to the community through various service orientated programs that it has established:

GENERAL PURPOSE FUNDING

Rates, general purpose government grants and interest revenue.

GOVERNANCE

Management of elected members of council, corporate management and policy making.

LAW, ORDER AND PUBLIC SAFETY

Supervision of various local laws, animal control, fire prevention and emergency services.

HEALTH

Supervision of local laws, food control, mosquito control and environmental health protection.

EDUCATION AND WELFARE

Operation of Senior Citizen's Centre, youth centre and services, assistance to various community groups and voluntary services.

COMMUNITY AMENITIES

Rubbish collection services, recycling services, operation of transfer station, cemetery services, administration of town planning schemes, climate change and protection of the environment.

RECREATION AND CULTURE

Maintenance of halls, parks, playgrounds, sports grounds, recreation centres, marina, various reserves and beaches, operation of the libraries and other cultural facilities.

TRANSPORT

Construction and maintenance of roads, drainage, works, footpaths, parking facilities and traffic signs. Maintenance of bus shelters and cleaning of streets.

ECONOMIC SERVICES

Economic development, marketing & tourism promotion, operation of visitors centres and marina chalets, implementation of building and development controls.

OTHER PROPERTY AND SERVICES

Public works overheads, administration overheads, plant operations, private works,

In order to discharge its responsibilities to the community, the City of Mandurah has developed a set of operational and financial objectives. These objectives have been established both on an overall basis, reflected by the City's Mission Statement, and for each of its broad activities/programs.

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

3. Revenue and expenses

The net profit/(loss) for the year includes:

	2017/18 Actual \$'000	2016/17 Actual \$'000
(i) Charged as expense:		
Auditors' remuneration		
- Audit or review of the financial report	97	83
The auditor of the City of Mandurah is Deloitte Touche Tohmatsu.		
Bad and doubtful debts written off	500	628
Operating leases	1,442	1,256
Depreciation of non-current assets	30,583	29,219
Interest expenses and other borrowing charges		
General Purpose	202	199
Health	30	34
Community Amenities	29	28
Recreation & Culture	454	466
Transport	385	445
Economic Services	1	4
Other Property and Services	165	200
Total	<u>1,266</u>	<u>1,376</u>
(ii) Crediting as revenue:		
Interest earnings		
Investments		
- Reserve funds	863	800
- Other funds	1,128	1,149
Other interest revenue (see note 23)	73	103
	<u>2,064</u>	<u>2,052</u>

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

4. Significant non cash revenue

Non cash contributions are recognised in the Statement of Comprehensive Income operating revenue section to bring to account infrastructure assets and land acquired from developers and community groups. The value of non cash contributions is detailed below.

	2017/18 Actual \$'000	2016/17 Actual \$'000
Land		
Buildings	-	232
Furniture and Equipment	-	6
Infrastructure assets:		
- Roads and footpaths	1,294	5,964
- Drainage	612	2,314
- Bridges	33,781	-
- Recreation, parks	8	558
- Coastal and waterways	-	845
Total	<u>35,695</u>	<u>9,919</u>

5. Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash. Cash and cash equivalents at the end of the reporting period is as follows:

Reconciliation of cash and cash equivalents	2017/18 Actual \$'000	2016/17 Actual \$'000
Cash at bank	6,915	7,488
Investments at call	277	5,320
Fixed term investments	41,889	31,079
Total	<u>49,081</u>	<u>43,887</u>

	2017/18 Actual \$'000	Un-audited 2017/18 Budget \$'000	2016/17 Actual \$'000
Restricted	38,924	31,511	37,335
Unrestricted	10,157	1,228	6,552
Total	<u>49,081</u>	<u>32,739</u>	<u>43,887</u>

The following restrictions have been imposed by regulations or other externally imposed requirements:

Reserve Fund	30,255	27,782	30,871
Loan monies unspent at 30 June	4,836	229	2,536
Income in advance	204	-	201
Deposits (see note 30)	3,629	3,500	3,727
Total restricted funds	<u>38,924</u>	<u>31,511</u>	<u>37,335</u>

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

6. Receivables	2017/18 Actual \$'000	2016/17 Actual \$'000
(a) Current		
Rates outstanding	2,943	4,012
Emergency Services Levy outstanding	11	43
Trade receivables	1,309	1,138
Other receivables	1,512	2,054
Community loans	91	222
GST	714	777
Prepayments	470	328
Allowance for doubtful debts	(814)	(1,164)
	<u>6,236</u>	<u>7,410</u>
(b) Non-Current		
Rates and ESL outstanding - pensioners deferred	1,294	1,178
Community loans	1,297	2,394
	<u>2,591</u>	<u>3,572</u>

The credit terms offered to the City's trade debtors is 30 days net. Interest is not payable on overdue amounts.

Payment terms relating to rates debtors are set in accordance with the legislative requirements of the Local Government Act 1995 and are detailed separately in note 23.

Community loans are fixed term interest bearing loans to community groups to finance their contributions to facility improvements. The terms of the loans are for periods between 5 and 20 years with fixed equal repayments occurring at frequency of monthly, quarterly or bi-annually intervals. The loans are funded by City borrowings with equivalent terms of repayment.

An allowance has been made for estimated irrecoverable receivables arising from past activities, determined by reference to age of debt and circumstance of individual debtors.

Ageing of balances past due but not impaired

30 - 60 days	17	40
60 - 90 days	23	42
Greater than 90 days	215	271
	<u>255</u>	<u>353</u>

Movement in the allowance for doubtful debts

Balance at the beginning of the year	1,164	642
Impairment losses recognised on receivables	150	1,150
Amounts written off as uncollectible	(500)	(628)
Balance at the end of the year	<u>814</u>	<u>1,164</u>

All impaired trade receivables are in excess of 90 days past due.

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

7. Inventories	2017/18	2017/18
	Actual	Actual
	\$'000	\$'000
Raw materials	<u>307</u>	<u>321</u>

8. Payables

Current

Trade payables	4,157	4,099
Accrued expenses	1,377	1,150
Income in advance	204	201
Bonds and deposits (see note 30 for additional detail)	<u>3,629</u>	<u>3,727</u>
	<u>9,367</u>	<u>9,177</u>

The average credit period for purchase of goods and services is net 30 days.

No interest is charged on trade payables. The City has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

9. Provisions

(a) Current

Employee benefits	7,990	7,359
Workers Compensation Insurance	<u>140</u>	<u>208</u>
	<u>8,130</u>	<u>7,567</u>

(b) Non-Current

Employee benefits	<u>911</u>	<u>992</u>
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10. Long Term Borrowings

(a) Current

Secured by floating charge debentures	<u>4,841</u>	<u>5,642</u>
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(b) Non-Current

Secured by floating charge debentures	<u>24,364</u>	<u>23,453</u>
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Additional details on borrowings is provided in Note 26.

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

11. Property, Plant, Equipment and Infrastructure

	2017/18	2016/17
	Actual	Actual
	\$'000	\$'000
<u>Property, plant and equipment:</u>		
Land - at 2016 independent valuation	93,465	94,887
	<u>93,465</u>	<u>94,887</u>
Building - at 2016 independent valuation	161,050	159,259
Less: Accumulated depreciation	(8,630)	(4,130)
Work in progress	2,008	441
	<u>154,428</u>	<u>155,570</u>
Furniture and fittings - valuation 2016	1,919	1,573
Less: Accumulated depreciation	(272)	(136)
Work in progress	198	-
	<u>1,845</u>	<u>1,437</u>
Plant and machinery - valuation 2016	12,982	11,298
Less: Accumulated depreciation	(2,137)	(1,041)
Work in progress	-	-
	<u>10,845</u>	<u>10,257</u>
Property, Plant and Equipment - Total	<u>260,583</u>	<u>262,151</u>
<u>Infrastructure:</u>		
Bridges - independent valuation 2018	71,928	35,237
Less: Accumulated depreciation	(7,106)	(15,674)
Work in Progress	171	10,154
	<u>64,993</u>	<u>29,717</u>
Parks - independent valuation 2018	227,971	214,344
Less: Accumulated depreciation	(42,234)	(58,214)
Work in progress	1,068	189
	<u>186,805</u>	<u>156,319</u>
Drainage - independent valuation 2018	179,048	168,000
Less: Accumulated depreciation	(48,751)	(43,482)
Work in progress	11	441
	<u>130,308</u>	<u>124,959</u>
Roads, footpaths, kerbs & seals - independent valuation 2018	512,177	458,046
Less: Accumulated depreciation	(176,886)	(156,025)
Work in progress	3,364	8,258
	<u>338,655</u>	<u>310,279</u>
Marina infrastructure - Independent Valuation 2016	4,094	4,095
Less: Accumulated depreciation	(2,747)	(2,541)
	<u>1,347</u>	<u>1,554</u>
Coastal and estuary - independent valuation 2018	93,398	80,815
Less: Accumulated depreciation	(46,913)	(36,719)
Work in progress	823	57
	<u>47,308</u>	<u>44,153</u>
Land improvements - cost	1,362	1,351
Less: Accumulated depreciation	(177)	(143)
Work in Progress	5,047	4,628
	<u>6,232</u>	<u>5,836</u>
Infrastructure - Total	<u>775,648</u>	<u>672,817</u>
Net carrying amount	<u>1,036,231</u>	<u>934,968</u>

(i) The coastal and estuary assets were historically valued at historical cost. Effective 30 June 2015, the assets are now measured at fair value. The valuation as at 30 June 2018 was based on unit rates determined by an independent valuer Aquenta Consulting Pty Ltd. Refer to note 38.

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

12. Assets - movement in carrying amounts

Movement in the carrying amounts of each class of property, plant and equipment during the reporting period is as below:

	Land	Buildings	Furniture & Fittings	Plant & Machinery	Infra- structure	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2016	96,194	146,709	1,484	10,165	656,989	911,541
Reclassifications						-
Revaluations					6,252	6,252
Additions	68	30,922	210	2,388	42,549	76,137
Work in progress		(17,931)	(121)		(4,683)	(22,735)
Disposals	(1,375)			(1,062)	(4,571)	(7,008)
Depreciation expense		(4,130)	(136)	(1,234)	(23,719)	(29,219)
Balance as at 30 June 2017	94,887	155,570	1,437	10,257	672,817	934,968
Reclassifications						-
Revaluations				152	77,137	77,289
Additions		4,715	544	2,305	73,600	81,164
Work in progress		(980)	-	-	(20,506)	(21,486)
Disposals	(1,422)	(337)		(713)	(2,649)	(5,121)
Depreciation expense		(4,540)	(136)	(1,156)	(24,751)	(30,583)
Balance as at 30 June 2018	93,465	154,428	1,845	10,845	775,648	1,036,231

13. Depreciation

(a) Depreciation by asset class

Depreciation expense for the reporting period is charged in respect of:

	2017/18 Actual \$'000	Un-audited 2017/18 Budget \$'000	2016/17 Actual \$'000
Buildings	4,540	5,987	4,130
Furniture and fittings	136	331	136
Plant and machinery	1,156	1,476	1,234
Infrastructure assets	24,751	23,523	23,719
	<u>30,583</u>	<u>31,317</u>	<u>29,219</u>

(b) Depreciation of assets by program

	2017/18 Actual \$'000	2016/17 Budget \$'000	2016/17 Actual \$'000
Law, Order, Public Safety	177	96	95
Health		-	-
Education and Welfare	147	208	147
Community Amenities	219	325	218
Recreation and Culture	14,585	17,996	14,265
Transport	13,874	10,530	12,821
Economic Services	94	125	94
Other Property and Services	1,487	2,037	1,579
	<u>30,583</u>	<u>31,317</u>	<u>29,219</u>

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

14. Disposal of assets

(a) Disposal of assets by class

	Carrying Amount \$'000	Disposal Proceeds \$'000	Profit \$'000	Loss \$'000
Land	1,422	1,329	-	(93)
Buildings	337	-	-	(337)
Furniture and equipment	-	-	-	-
Plant and machinery	713	640	-	(73)
Roads, paths	1,034	-	-	(1,034)
Drainage	30	-	-	(30)
Parks	1,517	-	-	(1,517)
Coastal	-	-	-	-
	<u>5,053</u>	<u>1,969</u>	<u>-</u>	<u>(3,084)</u>

(b) Disposal of assets classified by program

	Carrying Amount \$'000	Disposal Proceeds \$'000	Profit \$'000	Loss \$'000
Governance	41	38		(3)
Law, Order and Public Safety	57	55		(2)
Education and Welfare				-
Health				
Community Amenities	30	-		(30)
Recreation and Culture	2,147	299		(1,848)
Transport	1,271	172		(1,099)
Economic Services	1,507	1,405		(102)
Other Property and Services				
	<u>5,053</u>	<u>1,969</u>	<u>-</u>	<u>(3,084)</u>

15. Total assets classified by function and activity

	2017/18 Actual \$'000	2016/17 Actual \$'000
General Purpose Funding	4,018	4,578
Governance	12,166	12,198
Law, Order, Public Safety	2,150	3,342
Health	191	150
Education and Welfare	4,894	5,043
Community Amenities	8,829	8,894
Recreation and Culture	364,713	331,273
Transport	543,111	473,320
Economic Services	101,712	103,609
Other Property and Services	117	-
Unallocated	52,513	47,742
	<u>1,094,414</u>	<u>990,149</u>

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

16. Fees and charges

	2017/18 Actual \$'000	Un-audited 2017/18 Budget \$'000	2016/17 Actual \$'000
General Purpose Funding	613	784	772
Law, Order, Public Safety	652	592	755
Health	186	156	159
Education and Welfare	401	642	430
Community Amenities	13,280	13,159	12,639
Recreation and Culture	6,236	7,773	5,260
Transport	1,984	170	2,167
Economic Services	1,996	2,061	1,938
Other Property and Services	219	186	528
	<u>25,567</u>	<u>25,523</u>	<u>24,648</u>

17. Elected members' benefits

The following fees, expenses and allowances were paid to council members, the mayor and deputy mayor during the reporting period.

	2017/18 Actual \$'000	Un-audited 2017/18 Budget \$'000	2016/17 Actual \$'000
Meeting fees allowance	377	381	404
Mayoral allowance	72	73	74
Deputy Mayoral allowance	12	21	28
Information and communications technology allowance	43	46	46
Councillors travel, conferences and other expenses	61	41	32
	<u>565</u>	<u>562</u>	<u>584</u>

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

18 Notes to the cash flow statement

a) Reconciliation of cash

For the purposes of the statement of cash flows, cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash. Cash at the end of the reporting period is reconciled to the related items in the statement of financial position as follows:

	2017/18 Actual \$'000	Un-audited 2017/18 Budget \$'000	2016/17 Actual \$'000
Cash and cash equivalents	<u>49,081</u>	<u>32,739</u>	<u>43,887</u>

b) Reconciliation of net cash flows from operating activities to net result

Net Profit/(Loss)	26,357	(7,942)	6,821
Non cash items			
Depreciation	30,583	31,317	29,219
(Profit)/Loss on sale of assets	3,084	(109)	4,866
Changes in assets and liabilities during the financial year:			
Decrease/(increase) in receivables	808	(121)	(441)
Decrease/(increase) in inventories	14	(40)	86
Increase/(decrease) in payables	343	272	408
Increase/(decrease) in provisions	482	(25)	142
(Decrease)/increase in bonds & deposits	82	-	(74)
Other Movements	(90)	-	-
Grants/contributions for the development of assets	<u>(44,276)</u>	<u>(6,940)</u>	<u>(22,653)</u>
Net cash provided by operating activities	<u>17,387</u>	<u>16,412</u>	<u>18,374</u>

c) Credit standby arrangements

Credit card facility	60	60
Purchasing card facility	600	600
Credit and purchasing card debt balance at reporting date	<u>(66)</u>	<u>(54)</u>
	<u>594</u>	<u>606</u>

d) Borrowing facilities

Loan facilities - current	4,841	5,642
Loan facilities - non current	<u>24,364</u>	<u>23,453</u>
Total loan facilities in use at reporting date	<u>29,205</u>	<u>29,095</u>
Unused loan facility as at reporting date	<u>4,836</u>	<u>2,536</u>

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

19. Number of employees	30 June 2018	30 June 2017
Number of employees (FTE's) at reporting date	<u>532</u>	<u>488</u>

20. Payments to employees

Set out below, in bands of \$10,000 is the number of employees of the City of Mandurah entitled to an annual salary of \$100,000 or more.

Salary range	Number of employees	
	2017/18	2016/17
\$100,000 - \$109,999	16	7
\$110,000 - \$119,999	11	7
\$120,000 - \$129,999	7	9
\$130,000 - \$139,999	2	3
\$140,000 - \$149,999	2	-
\$150,000 - \$159,999	-	-
\$160,000 - \$169,999	1	1
\$170,000 - \$179,999	-	1
\$180,000 - \$189,999	-	2
\$190,000 - \$199,999	1	1
\$200,000 - \$209,999	1	1
\$210,000 - \$219,999	1	-
\$220,000 - \$229,999	-	-
\$230,000 - \$239,999	-	-
\$240,000 - \$249,999	-	-
\$250,000 - \$259,999	-	-
\$260,000 - \$269,999	-	1
\$270,000 - \$279,999	1	-

21. Conditions over grants and contributions

	2017/18 \$'000	2016/17 \$'000
Opening balance of unexpended grants and contributions	4,040	11,334
Grants and contributions recognised as revenue in the reporting period	<u>50,296</u>	<u>31,488</u>
	54,336	42,822
Grants and contributions expended in the period:		
Operational grants and contributions	(7,730)	(7,267)
Grants and contributions for capital works	<u>(43,237)</u>	<u>(31,515)</u>
	(50,967)	(38,782)
Closing balance of unexpended grants	3,369	4,040
Net movement in unspent grants and contributions	(671)	(7,294)

All unspent grants and contributions as at 30 June 2018 are transferred to a Reserve account held for this purpose.

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

22. Rating Information

Rating Category	General Rate					Minimum Rate					Total			
	GRV Value \$'000	Rate in \$	No. Props	Unaudited Budget \$'000	Rate Actual \$'000	GRV Value \$'000	Min Rate \$	No. Props	Unaudited Budget \$'000	Rate Actual \$'000	GRV Value in \$'000	No. Props	Unaudited Budget \$'000	Rate Actual \$'000
Residential Improved	589,057	0.08090	33,507		49,555	74,438		6,547		6,940	663,495	40,054	-	56,495
Residential Vacant	27,881	0.14100	2,097		3,931	9,247		1,954		1,735	37,128	4,051	-	5,666
Urban Development	5,189	0.10190	14		529	-		-		-	5,189	14	-	529
Business Improved	133,755	0.08610	1,021		11,516	1,376		272		288	135,131	1,293	-	11,805
Business Vacant	4,642	0.14100	137		654	227		38		40	4,869	175	-	695
Mandurah Ocean Marina:														
- Residential Improved	606	0.08090	17		49	-		-		-	606	17	-	49
- Vacant	-	0.00000	-		-	-		-		-	-	-	-	-
- Business Improved	756	0.08610	6		65	-		-		-	756	6	-	65
Interim Rates														519
Back Rates														(2,331)
Prepaid Rates														760
Sub Total General Rates	761,885		36,799	-	66,300	85,288		8,811	-	9,004	847,173	45,610	-	74,251
<u>Specified Area Rates</u>														
Port Mandurah		0.00340			79								-	79
Waterside		0.00000			-								-	-
Mandurah Ocean Marina		0.01610			377								-	377
Mandurah Quay		0.00150			11								-	11
Port Bouvard Eastport		0.00160			11								-	11
Port Bouvard Northport		0.00640			41								-	41
Mariners Cove		0.00120			10								-	10
Sub Total	-			-	529								-	529
Rates Concessions														-
TOTAL RATES				-	66,829				-	9,004			-	74,780

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

22. Rating information (continued)

Characteristics Forming the Basis of Rates

Council utilises differential rating based on zoning, and properties' improved or unimproved nature.

Objects and Reasons for Differential Rates

Differential Rates

Residential Improved	Rate in the dollar \$0.0809
Mandurah Ocean Marina Residential Improved	

Residential properties are the predominant property type in the City. The rate calculated reflects Council's policy of ensuring that residential properties contribute significantly to the services and infrastructure which the City provides.

Business Improved	Rate in the dollar \$0.0861
Mandurah Ocean Marina Business Improved	
Urban Development	Rate in the dollar \$0.1019
Business Vacant	Rate in the dollar \$0.1410

Rates on other improved properties are levied at similar rates to reflect the fact that these types make the same relative contribution as the residential improved category.

Residential Vacant	Rate in the dollar \$0.1410
Mandurah Ocean Marina Residential Vacant	

These rates have been set as an interim measure as part of the City's plan to reflect the change in vacant land values over a three year period.

Minimum Rates

Council set differentiating minimum rates so that all properties make a reasonable contribution to the cost of services regardless of low property gross rental values.

Residential Improved	\$1,060
Mandurah Ocean Marina Residential Improved	\$1,060
Business Improved	\$1,060
Marina Business	\$1,060
Residential Vacant	\$888
Business Vacant	\$1,040
Urban Development	\$1,040
Mandurah Ocean Marina Vacant	\$888

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

23. Interest charges and instalments

Instalment options offered for payment of rates were:

Option	Payment dates
Payment in full	11 September 2017
Two instalments	11 September 2017 17 January 2018
Four instalments	11 September 2017 13 November 2017 15 January 2018 15 March 2018
Equal instalments	Payment by twelve equal instalments from April 2017 to March 2018. Continuation of instalments from April as advance payments for 2018/19.

		2017/18 Actual \$'000	Un-audited 2017/18 Budget \$'000	2016/17 Actual \$'000
Interest on unpaid rates	7%	327	205	268
Interest on instalment plan	5.50%	357	350	348
Charges on instalment plan (for two and four instalment option)	\$3	107	109	108

24. Specified Area Rates

Rating Category	Specified Area Rates					
	Reserves B/fwd \$	Revenue Raised \$	Interest Earned \$	Expended \$	Contribution from City of Mandurah	Reserves C/fwd \$
Port Mandurah	369,220	79,367	9,231	(17,326)	7,104	447,596
Waterside	108,109	-	2,703	(12,460)	5,607	103,959
Mandurah Quay	165,283	10,811	4,132	(1,978)	-	178,248
Mandurah Ocean Marina	131,122	379,231	3,278	(445,829)	-	67,802
Mariners Cove	19,113	10,184	478	(14,919)	-	14,856
Port Bouvard Canals Northport	59,150	42,163	1,479	(29,028)	-	73,764
Port Bouvard Canals Eastport	11,715	12,592	293	(12,356)	-	12,244
Total	863,712	534,348	21,594	(533,896)	12,711	898,469

The specified area rates are imposed for the purpose of maintaining and managing the canals at Waterside, Port Mandurah, Mandurah Quay, Port Bouvard and the canals, open space and marina at Mandurah Ocean Marina. The designated areas are identified within council's objects and reasons.

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

24. Specified Area Rates (continued)

Waterside Canals

0.000c in the dollar

This is levied on all canal frontage properties located within the "Waterside Canals" for owners to make a reasonable contribution toward maintaining and managing the canals in accordance with the Artificial Waterways Policy – Canals and the Core Management Group. For the year ended 30 June 2018 there were sufficient funds in the Reserve Fund to fund maintenance costs.

The area has been identified within the Government Gazette published 23rd June 1995 as Schedule B in the City of Mandurah (Specified Area) Order No. 1 and is commonly known as the "Waterside Canals".

Port Mandurah Canals

0.34c in the dollar

This is levied on all canal frontage properties located within the "Port Mandurah Canals" for owners to make a reasonable contribution toward maintaining and managing the canals in accordance with the Artificial Waterways Policy - Canals and the Core Management Group. The area has been identified within the Government Gazette published 23rd June 1995 as Schedule A in the City of Mandurah (Specified Area) Order No. 1 and is commonly known as "Port Mandurah Canals".

Mandurah Ocean Marina

1.61c in the dollar

This rate is levied on all properties within the Mandurah Ocean Marina Outline Development Plan. The purpose of this rate is to ensure that all owners within the precinct contribute to the operating costs of the marina.

Mandurah Quay

0.15c in the dollar

This is levied on all properties within the Mandurah Quay subdivision. The purpose is to ensure the maintenance of the marina, i.e. water body and walls, and is levied at a level to cover the life cycle expenses of the marina.

Port Bouvard - Northport

0.64c in the dollar

This is levied on all canal frontages on the Northport canals. The purpose is to recoup the costs of litter removal from the canal waterbody together with the costs of water quality testing, management, surveying and minor maintenance.

Port Bouvard - Eastport

0.16c in the dollar

This is levied on all canal frontages on the Eastport canals. The purpose is to recoup the costs of litter removal from the canal waterbody together with the costs of water quality testing, management, surveying and minor maintenance.

Mariners Cove

0.12c in the dollar

This is levied on all properties within the Mariners Cove subdivision. The purpose is to ensure the maintenance of the marina, i.e. water body and walls, and is levied at a level to cover the life cycle expenses of the marina.

25. Service charges

The City of Mandurah did not impose any service charges during the reporting period.

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

26. Borrowings

(a) Movement in unspent loan fund for the year ended 30 June 2018

Date Loan Funded	Loan No.	Particulars	Unspent Balance ¹ July 2017		New loans raised		Loans utilised		Balance 30 June 2018	
			Actual	Un-audited Budget	Actual 2017/2018 \$	Un-audited Budget 2017/2018 \$	Actual 2017/2018 \$	Un-audited Budget 2017/2018 \$	Actual \$	Un-audited Budget \$
30/03/04	303	Brighton Lane	43,022	43,022				-	43,022	43,022
30/03/04	304	Brighton Plaza	14,115	14,115				-	14,115	14,115
14/06/13	333(ii)	Parks Construction	171,963	171,963				-	171,963	171,963
22/04/15	337	New SES Facility	38,800				38,800		-	-
22/04/15	339	Roads	86,944				86,944		-	-
10/01/16	341	MARC Stage 2	-						-	-
10/01/16	342	Roads	75,003				75,003		-	-
10/01/16	343	WMC Tims Thicket	150,000						150,000	-
10/01/16	344	Eastern Foreshore Wall	444,656	500,000			330,442	(500,000)	114,214	-
5/05/17	345	MARC Stage 2	-						-	-
5/05/17	346	Road Construction	536,706				95,864		440,842	-
5/05/17	347	MARC Carpark	-				290,000		(290,000)	-
5/05/17	348	MPAC Forecourt	-	250,000				(250,000)	-	-
5/05/17	349	Waste Water Reuse	275,197	300,000			275,197	(300,000)	-	-
5/05/17	350	Halls Head Ablution Block	200,000	175,000			200,000	(175,000)	-	-
5/05/17	351	Falcon Bay Seawall	500,000	450,000			500,000	(450,000)	-	-
	352	Mandurah Marina			200,000	200,000	124,562	(200,000)	75,438	-
	353	MARC Solar Plan			200,000	200,000	14,006	(200,000)	185,994	-
	354	MARC Carpark			300,000	300,000	288,407	(300,000)	11,593	-
	355	Novara Foreshore Stage 2			400,000	400,000	323,146	(400,000)	76,854	-
	356	Falcon Bay Foreshore Development			400,000	400,000	165,936	(400,000)	234,064	-
	357	Mandurah Foreshore Boardwalk Renewal			450,000	450,000	2,403	(450,000)	447,597	-
	358	Mandjar Square Development			500,000	500,000	500,000	(500,000)	-	-
	359	New Road Construction			1,415,000	1,815,000	1,155,066	(1,815,000)	259,934	-
	360	Lakelands DOS			2,800,000	-		-	2,800,000	-
	361	Smokebush Retreat			100,000	100,000		(100,000)	100,000	-
			-	-	-	-			-	-
Totals			2,536,406	1,904,100	6,765,000	4,365,000	4,465,776	(6,040,000)	4,835,630	229,100

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

26. Borrowings (continued)

(b) Loan liability summary for the year ended 30 June 2018

	Principal Liability		New Loans Taken Out		Interest Paid in Year		Principal Paid in Year		Principal Liability	
	Actual 1/07/2017 \$	Un-audited Budget 1/07/2017 \$	Actual 2017/18 \$	Un-audited Budget 2017/18 \$	Actual 2017/18 \$	Un-audited Budget 2017/18 \$	Actual 2017/18 \$	Un-audited Budget 2017/18 \$	Actual 30/06/2018 \$	Un-audited Budget 30/06/2018 \$
Law, Order, Public Safety	1,179,606	1,179,611	-	-	37,870	33,158	1,154,287	140,892	25,319	1,038,719
Education & Welfare	-	-	-	-	-	-	-	-	-	-
Community Amenities	735,572	980,992	100,000	-	40,750	33,876	188,685	100,243	646,887	880,749
Recreation	14,003,518	15,026,344	3,800,000	1,750,000	466,082	553,921	2,508,655	2,260,480	15,294,863	14,515,864
Transport	9,250,412	8,965,106	2,865,000	2,415,000	342,259	421,177	1,999,553	2,017,808	10,115,859	9,362,298
Economic Services	25,794	25,806	-	-	1,442	1,411	25,794	25,780	-	26
Other Property and Services	3,900,295	3,915,448	-	200,000	167,778	170,292	778,190	777,562	3,122,105	3,337,886
Total	29,095,197	30,093,307	6,765,000	4,365,000	1,056,181	1,213,835	6,655,164	5,322,765	29,205,033	29,135,542

Comparison with detailed loan schedule may reveal rounding differences.

Principal	Actual 30/06/18 \$'000	Actual 30/06/17 \$'000
Current	4,841	5,642
Non-Current	24,364	23,453
Total	29,205	29,095

Interest	Actual 30/06/18 \$'000	Actual 30/06/17 \$'000
Interest and Guarantee Fee paid during the year	1,257	1,350
Interest accrued at reporting date	81	98
Reversal of interest accrued in prior period	(72)	(72)
Interest expense	1,266	1,376

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

26. Borrowings (continued)

(c) Loan Liability Statement for the year ended 30 June 2018

Particulars	Term (years)	New loans taken up 2017/18	Total up to 30/06/17	Rate of interest	Lender	Month & year of maturity	Principal liability 1/07/2017	Interest paid in year	Principal paid in year	Principal liability 30/06/2018	Principal Reimbursed
<u>Law, Order, Public Safety</u>											
316(v) Surf Life Saving Club	10		100,000	6.39	WATC	JUN. 2020	36,833	2,171	11,514	25,319	
337 SES Building	10		1,391,030	2.79	WATC	APR. 2025	1,142,773	35,699	1,142,773	-	
		-	1,491,030				1,179,606	37,870	1,154,287	25,319	
<u>Community Amenities</u>											
335 Waste Trailers & Dolly	10		495,000	4.10	WATC	JUN. 2024	235,572	28,840	93,592	141,980	
349 Waste Water Reuse	5		300,000	2.50	WATC	MAY.2022	300,000	7,146	57,056	242,944	
350 Halls Head Ablution Block	5		200,000	2.50	WATC	MAY.2022	200,000	4,764	38,037	161,963	
360 Smokeshed Retreat	10	100,000		3.18	WATC	MAY.2028	-	-	-	100,000	
		100,000	995,000				735,572	40,750	188,685	646,887	
<u>Recreation</u>											
259 Recreation & Foreshores	20		1,000,000	6.61	WATC	JAN. 2018	86,529	4,248	86,529	-	
Carried Forward		0	1,000,000				86,529	4,248	86,529	-	-

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

26. Borrowings (continued)

(c) Loan Liability Statement for the year ended 30 June 2018 (continued)

Particulars	Term (years)	New loans taken up 2017/18	Total up to 30/06/17	Rate of interest	Lender	Month & year of maturity	Principal liability 1/07/2017	Interest paid in year	Principal paid in year	Principal liability 30/06/2018	Principal Reimbursed
Recreation											
Brought Forward			1,000,000				86,529	4,248	86,529	-	-
314(iv) Falcon Library Construction	10		750,000	7.41	WATC	JUN. 2018	101,816	5,693	101,816	-	
314(v) Meadow Springs Recreation	10		500,000	7.41	WATC	JUN. 2018	67,877	3,795	67,877	-	
316(iii) Allnutt Reserve Bowling Facility	10		468,000	6.39	WATC	JUN. 2020	172,379	10,168	53,886	118,493	
316(vii) Town Beach Ablutions	10		200,000	6.39	WATC	JUN. 2020	73,667	4,345	23,028	50,639	
318(ii) Rushton Park Redevelopment	10		2,000,000	5.54	WATC	JUN. 2021	932,742	48,745	214,434	718,308	
318(iii) Meadow Springs Pavillion	10		1,500,000	5.54	WATC	JUN. 2021	699,557	36,558	160,825	538,732	
320 Mandurah Rugby Club	10		300,000	5.54	WATC	JUN. 2021	139,912	7,312	32,165	107,747	
321 Mandurah Cricket Club	10		100,000	5.54	WATC	JUN. 2021	46,638	2,437	10,722	35,916	
324 Mandurah Football & Sporting	10		650,000	4.01	WATC	JUN. 2022	357,311	13,346	65,876	291,435	
325 Mandurah Rugby Club	10		50,000	4.01	WATC	JUN. 2022	27,485	1,027	5,067	22,418	
326 Allnutt Reserve Bowling Facility	10		4,430,000	4.01	WATC	JUN. 2022	2,435,219	90,957	448,972	1,986,247	
329(i) Ablutions - Netball Centre	10		350,000	4.01	WATC	JUN. 2022	192,400	7,186	35,472	156,928	
329(v) Parks Construction	10		346,000	4.01	WATC	JUN. 2022	190,199	7,104	35,066	155,133	
331 Halls Head Bowling Club Upgrade	15		450,000	4.71	WATC	APR. 2028	358,837	16,604	25,569	333,268	
333 Parks - Falcon Bay Reserve	10		200,000	4.00	WATC	JUN. 2023	129,351	4,981	19,482	109,869	
334 Peel Thunder Self Supporting Loan	5		150,000	3.40	WATC	JUN. 2018	31,954	684	31,954	-	
338 Aquatic & recreation Centre	10		1,400,000	2.79	WATC	APR. 2025	1,150,142	31,187	130,218	1,019,924	
340 Aquatic & recreation Centre Stage 1	10		775,000	2.67	WATC	JUN. 2026	706,355	18,255	70,477	635,878	
341 Aquatic & recreation Centre Stage 2	10		2,000,000	2.67	WATC	JUN. 2026	1,822,851	47,109	181,875	1,640,976	
344 Eastern Foreshore Wall	10		1,295,000	2.67	WATC	JUN. 2026	1,180,296	30,503	117,764	1,062,532	
345 MARC Stage 2	5		2,600,000	2.50	WATC	MAY.2022	2,600,000	61,929	494,487	2,105,513	
351 Falcon Bay Seawall	5		500,000	2.50	WATC	MAY.2022	500,000	11,909	95,094	404,906	
353 MARC Solar Plan	10	200,000		3.18	WATC	MAY.2028	-	-	-	200,000	
355 Novara Foreshore Stage 2	10	400,000		3.18	WATC	MAY.2028	-	-	-	400,000	
356 Falcon Bay Foreshore Development	10	400,000		3.18	WATC	MAY.2028	-	-	-	400,000	
360 Lakelands DOS	10	2,800,000		3.18	WATC	MAY.2028	-	-	-	2,800,000	
		3,800,000	22,014,000				14,003,517	466,082	2,508,655	15,294,862	-

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

26. Borrowings (continued)

(c) Loan Liability Statement for the year ended 30 June 2018 (continued)

Particulars	Term (years)	New loans taken up 2017/18	Total up to 30/06/17	Rate of interest	Lender	Month & year of maturity	Principal liability 1/07/2017	Interest paid in year	Principal paid in year	Principal liability 30/06/2018	Principal Reimbursed
Transport											
313 Marina Pens	10		1,100,000	7.18	WATC	MAR. 2018	148,039	8,019	148,039	-	
314(i) Road Construction	10		1,706,255	7.41	WATC	JUN. 2018	231,633	12,951	231,633	-	
314(ii) Drainage	10		18,745	7.41	WATC	JUN. 2018	2,545	142	2,545	-	
316(ii) Road Construction	10		1,498,000	6.39	WATC	JUN. 2020	551,762	32,546	172,481	379,281	
316(iv) Car Parking	10		110,000	6.39	WATC	JUN. 2020	40,518	2,390	12,665	27,853	
318(v) Road Construction	10		5,000,000	5.54	WATC	JUN. 2021	2,331,857	121,862	536,084	1,795,773	
318(vi) Drainage	10		500,000	5.54	WATC	JUN. 2021	233,187	12,186	53,608	179,579	
329(ii) Road Construction	10		750,000	4.01	WATC	JUN. 2022	412,283	15,399	76,011	336,272	
329(iii) Drainage Construction	10		250,000	4.01	WATC	JUN. 2022	137,427	5,133	25,337	112,090	
329(iv) Peelwood Oval - Parking	10		100,000	4.01	WATC	JUN. 2022	54,972	2,053	10,135	44,837	
329(vi) Path Construction	10		57,000	4.01	WATC	JUN. 2022	31,333	1,170	5,777	25,556	
329(viii) Street Lighting	10		75,000	4.01	WATC	JUN. 2022	41,228	1,540	7,601	33,627	
332 Road Plant	5		350,000	3.42	WATC	JUN. 2018	74,826	1,925	74,826	-	
333 Road Construction	10		893,000	4.00	WATC	JUN. 2023	577,551	22,241	86,985	490,566	
336 New Pedestrian Bridge Construction	10		1,000,000	4.10	WATC	JUN. 2024	871,583	14,276	46,328	825,255	
339 New Road Construction	10		1,000,000	2.79	WATC	APR.2025	821,530	22,276	93,013	728,517	
342 New Road Construction	10		1,000,000	2.67	WATC	JUN.2026	911,425	23,554	90,937	820,488	
343 WMC Tims Thicket	10		150,000	2.67	WATC	JUN.2026	136,714	3,533	13,641	123,073	
346 Road Construction	5		790,000	2.50	WATC	MAY.2022	790,000	18,817	150,248	639,752	
347 MARC Carpark	5		600,000	2.50	WATC	MAY.2022	600,000	14,291	114,112	485,888	
348 MPAC Forecourt	5		250,000	2.50	WATC	MAY.2022	250,000	5,955	47,547	202,453	
352 Mandurah Marina	10	200,000		3.18	WATC	MAY.2028	-	-	-	200,000	
354 MARC Carpark	10	300,000		3.18	WATC	MAY.2028	-	-	-	300,000	
357 Mandurah Foreshore Boardwalk Renewal	10	450,000		3.18	WATC	MAY.2028	-	-	-	450,000	
358 Mandjar Square Development	10	500,000		3.18	WATC	MAY.2028	-	-	-	500,000	
359 New Road Construction	10	1,415,000		3.18	WATC	MAY.2028	-	-	-	1,415,000	
		2,865,000	17,198,000				9,250,413	342,259	1,999,553	10,115,860	

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

26. Borrowings (continued)

(c) Loan Liability Statement for the year ended 30 June 2018 (continued)

Particulars	Term (years)	New loans taken up 2017/18	Total up to 30/06/17	Rate of interest	Lender	Month & year of maturity	Principal liability 1/07/2017	Interest paid in year	Principal paid in year	Principal liability 30/06/2018	Principal Reimbursed
<u>Economic Services</u>											
314(iii) Transit Station Welcome Centre	10		190,000	7.41	WATC	JUN. 2018	25,794	1,442	25,794	-	
		-	190,000				25,794	1,442	25,794	0	-
<u>Other Property and Services</u>											
272 Office Building	20		2,500,000	6.30	WATC	APR. 2021	772,842	45,236	175,622	597,220	
316(i) Information Systems	10		100,000	6.39	WATC	JUN. 2020	36,833	2,173	11,514	25,319	
316(vi) IT Server Room Upgrade	10		270,000	6.39	WATC	JUN. 2020	99,449	5,866	31,088	68,361	
318(i) IT Communications Equipment	10		400,000	5.54	WATC	JUN. 2021	186,547	9,749	42,887	143,660	
329(vii) IT Equipment	10		102,000	4.01	WATC	JUN. 2022	56,070	2,094	10,338	45,732	
330 Land Purchase	10		5,000,000	4.01	WATC	JUN. 2022	2,748,554	102,660	506,741	2,241,813	
		-	8,372,000				3,900,295	167,778	778,190	3,122,105	-
Total all loans		6,765,000	50,360,030				29,095,197	1,056,181	6,655,164	29,205,033	-

27. Reserves - asset revaluations

Transaction Summary

	Opening balance 1 July 2017 \$'000	Increase during year \$'000	Decrease during year \$'000	Closing balance 30 June 2018 \$'000
Land	74,246			74,246
Buildings	76,331			76,331
Furniture and fittings	364			364
Plant and machinery	59	14		73
Bridges	14,968	1,869		16,837
Parks	172,718	39,521		212,239
Drainage	83,322	5,793		89,115
Roads, footpaths, kerbs and seals	184,392	25,968		210,360
Coastal	41,308	3,984		45,292
	647,708	77,149	-	724,857

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

28. Reserves - cash backed

Purpose of cash backed reserves

(a) Building	Future building construction requirements.
(b) Parking	Provide additional parking areas.
(c) Asset management	Maintenance and upgrade of current infrastructure.
(d) Cultural Centre	Equipment/plant replacement for Mandurah Performing Arts Centre.
(e) Museum	Operation of museum.
(f) Property acquisition	Future property purchases.
(g) Sustainability	Development of Mandurah as a sustainable city.
(h) Aquatic and recreation centre	Future reconstruction of Mandurah Aquatic & Recreation Centre and additional swimming space.
(j) Sanitation	Future waste treatment initiatives.
(j) Community improvements	Provision of community facilities.
(k) Traffic bridge	Replacement of Mandurah traffic bridge.
(l) Tims Thicket septage	Future site restoration.
(m) Tims Thicket inert	Future site restoration and development.
(n) Inert landfill	Future site restoration and development.
(o) Road network	Future road improvement schemes
(p) Arts & crafts centre	Provision of a new art and craft facility.
(q) Sand pit restoration	Costs associated with closure of Red Road site.
(r) Interest free loans	Interest-free loans to sporting & community groups for minor capital projects.
(s) CLAG	Contiguous Local Authority Group for control of mosquitoes.
(t) Emergency relief fund	Capital grants to local emergency service groups. Availability of funds for emergencies/disaster in Mandurah.
(u) Mandurah Ocean Marina	Future maintenance/asset replacement at Mandurah Ocean Marina.
(v) Waterways	Future maintenance/asset replacement of specific waterways infrastructure.
(w) Interest on investments	Allocation for one-off purposes.
(x) Port Mandurah canals Stage 2	Future maintenance of canals.
(y) Mariners Cove canals maintenance	Future maintenance of canals.
(z) Port Bouvard canals maintenance	Future maintenance of canals.
(aa) Soccer club rooms refurbishment	Club contributions to maintain presentation and functionality of this facility.
(ab) Cash in lieu POS Contributions	Contributions received in accordance with Planning & Development Act.
(ac) Unspent grants and contributions	Operating and non-operating grants and contributions tied to future expenditure.
(ad) Long service leave	To fund long service leave liability of Council staff.
(ae) Carbon offset	To fund initiatives which provide an offset to the environmental impact of the City's waste management activities.
(af) Bushland acquisition	For purchase and protection of bushland within the City.
(ag) Equipment replacement - Port Bouvard Surf Life Saving Clubhouse	To maintain presentation and functionality of the soccer club house.
(ah) Coastal Storm Contingency	To fund restoration of storm damaged coastal infrastructure.
(ai) Equipment replacement - Bortolo Pavillion	Club contributions to maintain presentation and functionality of this facility.
(aj) Equipment replacement - Rushton Park	Club contributions to maintain presentation and functionality of this facility.
(ak) Equipment replacement - Meadow Springs Pavillion	Club contributions to maintain presentation and functionality of this facility.
(al) Digital Futures	To fund rapid response to develop, investigate or commission digital technology initiatives.
(am) Decked car park	WA Government contribution to development of decked parking facility in the CBD.
<i>Specified Area Rates (SAR):</i>	
(an) Waterside canals SAR	Maintenance of canals.
(ao) Port Mandurah canals SAR	Maintenance of canals.
(ap) Mandurah Quay canals SAR	Maintenance of canals.
(aq) Mandurah Ocean Marina SAR	Maintenance/asset replacement at Mandurah Ocean Marina.
(ar) Port Bouvard canals SAR	Maintenance of canals.

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

	2017/18 ACTUAL \$'000	Un-audited 2016/17 BUDGET \$'000	2016/17 ACTUAL \$'000
28. Reserves - cash backed (continued)			
(a) Building			
Opening balance	2,481	4,219	2,599
Amount set aside / Transfer to Reserve	600	300	832
Amount used / Transfer from Reserve	(793)	(1,111)	(950)
	<u>2,288</u>	<u>3,408</u>	<u>2,481</u>
(b) Parking			
Opening balance	465	465	465
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>465</u>	<u>465</u>	<u>465</u>
(c) Asset Management			
Opening balance	3,627	5,561	4,170
Amount set aside / Transfer to Reserve	600	-	440
Amount used / Transfer from Reserve	(1,927)	(1,995)	(983)
	<u>2,300</u>	<u>3,566</u>	<u>3,627</u>
(d) Cultural Centre			
Opening balance	241	322	572
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	(232)	(322)	(331)
	<u>9</u>	<u>-</u>	<u>241</u>
(e) Museum			
Opening balance	160	160	160
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>160</u>	<u>160</u>	<u>160</u>
(f) Property Acquisition			
Opening balance	5,257	3,179	3,078
Amount set aside / Transfer to Reserve	1,422	300	2,179
Amount used / Transfer from Reserve	(178)	-	-
	<u>6,501</u>	<u>3,479</u>	<u>5,257</u>
(g) Sustainability			
Opening balance	710	1,626	530
Amount set aside / Transfer to Reserve	300	-	180
Amount used / Transfer from Reserve	-	-	-
	<u>1,010</u>	<u>1,626</u>	<u>710</u>
(h) Aquatic and Recreation Centre			
Opening balance	-	8	908
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	(908)
	<u>-</u>	<u>8</u>	<u>-</u>
(i) Sanitation			
Opening balance	1,119	1,105	1,490
Amount set aside / Transfer to Reserve	464	-	-
Amount used / Transfer from Reserve	(345)	(1,000)	(371)
	<u>1,238</u>	<u>105</u>	<u>1,119</u>

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

	2017/18 ACTUAL \$'000	Un-audited 2016/17 BUDGET \$'000	2016/17 ACTUAL \$'000
28. Reserves - cash backed (continued)			
(j) Community Improvements			
Opening balance	228	200	349
Amount set aside / Transfer to Reserve	-	-	28
Amount used / Transfer from Reserve	-	-	(149)
	<u>228</u>	<u>200</u>	<u>228</u>
(k) Traffic Bridge			
Opening balance	319	500	2,819
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	(500)	(2,500)
	<u>319</u>	<u>-</u>	<u>319</u>
(l) Tims Thicket Septage			
Opening balance	74	74	74
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>74</u>	<u>74</u>	<u>74</u>
(m) Tims Thicket Inert			
Opening balance	102	102	102
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>102</u>	<u>102</u>	<u>102</u>
(n) Inert Landfill			
Opening balance	40	40	40
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>40</u>	<u>40</u>	<u>40</u>
(o) Road Network			
Opening balance	-	-	51
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	(51)
	<u>-</u>	<u>-</u>	<u>-</u>
(p) Arts and Craft Centre			
Opening balance	230	230	230
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>230</u>	<u>230</u>	<u>230</u>
(q) Sand Pit Restoration			
Opening balance	67	67	67
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>67</u>	<u>67</u>	<u>67</u>
(r) Interest Free Loans			
Opening balance	155	240	240
Amount set aside / Transfer to Reserve	29	-	15
Amount used / Transfer from Reserve	(40)	-	(100)
	<u>144</u>	<u>240</u>	<u>155</u>

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

	2017/18 ACTUAL \$'000	Un-audited 2016/17 BUDGET \$'000	2016/17 ACTUAL \$'000
28. Reserves - cash backed (continued)			
(s) CLAG			
Opening balance	17	11	11
Amount set aside / Transfer to Reserve	6	-	6
Amount used / Transfer from Reserve	-	-	-
	<u>23</u>	<u>11</u>	<u>17</u>
(t) Emergency Relief Fund			
Opening balance	3	3	3
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>3</u>	<u>3</u>	<u>3</u>
(u) Mandurah Ocean Marina			
Opening balance	241	241	241
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	(11)	(100)	-
	<u>230</u>	<u>141</u>	<u>241</u>
(v) Waterways			
Opening balance	-	-	-
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
(w) Interest on Investments			
Opening balance	13	13	13
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>13</u>	<u>13</u>	<u>13</u>
(x) Port Mandurah Canals Stage 2 Maintenance			
Opening balance	80	80	80
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>80</u>	<u>80</u>	<u>80</u>
(y) Mariners Cove Canals Maintenance			
Opening balance	72	72	72
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>72</u>	<u>72</u>	<u>72</u>
(z) Port Bouvard Canals Maintenance			
Opening balance	226	226	226
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>226</u>	<u>226</u>	<u>226</u>
(aa) Soccer Club Rooms Refurbishment			
Opening balance	29	29	29
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>29</u>	<u>29</u>	<u>29</u>

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

	2017/18 ACTUAL \$'000	Un-audited 2016/17 BUDGET \$'000	2016/17 ACTUAL \$'000
28. Reserves - cash backed (continued)			
(ab) Cash in Lieu POS Contributions			
Opening balance	2,356	1,576	2,298
Amount set aside / Transfer to Reserve	99	-	58
Amount used / Transfer from Reserve	(880)	(916)	-
	<u>1,575</u>	<u>660</u>	<u>2,356</u>
(ac) Unspent Grants & Contributions			
Opening balance	4,041	5,726	11,360
Amount set aside / Transfer to Reserve	3,624	-	5,035
Amount used / Transfer from Reserve	(4,294)	(1,520)	(12,354)
	<u>3,371</u>	<u>4,206</u>	<u>4,041</u>
(ad) Long Service Leave			
Opening balance	4,140	3,608	4,056
Amount set aside / Transfer to Reserve	312	-	84
Amount used / Transfer from Reserve	-	-	-
	<u>4,452</u>	<u>3,608</u>	<u>4,140</u>
(ae) Carbon Offset			
Opening balance	132	-	133
Amount set aside / Transfer to Reserve	-	-	30
Amount used / Transfer from Reserve	-	-	(31)
	<u>132</u>	<u>-</u>	<u>132</u>
(af) Bushland Acquisition			
Opening balance	1,997	1,948	1,448
Amount set aside / Transfer to Reserve	500	500	549
Amount used / Transfer from Reserve	-	-	-
	<u>2,497</u>	<u>2,448</u>	<u>1,997</u>
(ag) Port Bouvard Surf Life Saving Clubrooms			
Opening balance	18	18	18
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>18</u>	<u>18</u>	<u>18</u>
(ah) Coastal Storm Contingency			
Opening balance	250	250	250
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>250</u>	<u>250</u>	<u>250</u>
(ai) Refurbishment Bortolo Pavillion			
Opening balance	6	6	6
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>6</u>	<u>6</u>	<u>6</u>
(aj) Refurbishment Rushton Park			
Opening balance	13	13	13
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>13</u>	<u>13</u>	<u>13</u>

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

	2017/18 ACTUAL \$'000	Un-audited 2016/17 BUDGET \$'000	2016/17 ACTUAL \$'000
28. Reserves - cash backed (continued)			
(ak) Refurbishment Meadow Springs Pavillion			
Opening balance	8	8	8
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>8</u>	<u>8</u>	<u>8</u>
(al) Digital Futures			
Opening balance	116	125	116
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>116</u>	<u>125</u>	<u>116</u>
(am) Decked Car Park			
Opening balance	975	992	992
Amount set aside / Transfer to Reserve	-	-	-
Amount used / Transfer from Reserve	-	-	(17)
	<u>975</u>	<u>992</u>	<u>975</u>
(an) Specified Area Rates - Waterside Canals			
Opening balance	108	122	107
Amount set aside / Transfer to Reserve	3	-	3
Amount used / Transfer from Reserve	(7)	(5)	(2)
	<u>104</u>	<u>117</u>	<u>108</u>
(ao) Specified Area Rates - Port Mandurah Canals			
Opening balance	369	358	298
Amount set aside / Transfer to Reserve	88	38	71
Amount used / Transfer from Reserve	(10)	-	-
	<u>447</u>	<u>396</u>	<u>369</u>
(ap) Specified Area Rates - Mandurah Quay Canals			
Opening balance	165	144	155
Amount set aside / Transfer to Reserve	15	-	10
Amount used / Transfer from Reserve	(2)	-	-
	<u>178</u>	<u>144</u>	<u>165</u>
(aq) Specified Area Rates - Mandurah Ocean Marina			
Opening balance	131	316	138
Amount set aside / Transfer to Reserve	382	-	3
Amount used / Transfer from Reserve	(445)	-	(10)
	<u>68</u>	<u>316</u>	<u>131</u>
(ar) Specified Area Rates -Port Bouvard Canals			
Opening balance	59	20	39
Amount set aside / Transfer to Reserve	44	-	20
Amount used / Transfer from Reserve	(29)	-	-
	<u>74</u>	<u>20</u>	<u>59</u>
(as) Specified Area Rates -Mariners Cove			
Opening balance	19	10	13
Amount set aside / Transfer to Reserve	11	-	6
Amount used / Transfer from Reserve	(15)	-	-
	<u>15</u>	<u>10</u>	<u>19</u>
(at) Specified Area Rates -Eastport			
Opening balance	12	-	4
Amount set aside / Transfer to Reserve	12	-	8
Amount used / Transfer from Reserve	(12)	-	-
	<u>12</u>	<u>-</u>	<u>12</u>
(au) Sportsclubs Maintenance Levy			
Opening balance	-	-	-
Amount set aside / Transfer to Reserve	93	-	-
Amount used / Transfer from Reserve	-	-	-
	<u>93</u>	<u>-</u>	<u>12</u>
Total Cash Backed Reserves	<u><u>30,255</u></u>	<u><u>27,682</u></u>	<u><u>30,871</u></u>

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

	2017/18 ACTUAL \$'000	Un-audited 2016/17 BUDGET \$'000	2016/17 ACTUAL \$'000
Total Summary			
Opening Balance	30,871	34,013	40,071
Transfer to Reserves	8,604	1,138	9,557
Transfer from Reserves	(9,220)	(7,469)	(18,757)
Closing Balance	<u>30,255</u>	<u>27,682</u>	<u>30,871</u>

All of the above reserve fund accounts are supported by money held in financial institutions and match the amounts included as restricted cash in Note 5. Minor specific asset replacement/maintenance reserves have been merged into the Asset Management Reserve. No time period has been set for the use of the reserves.

28. Reserves - cash backed (continued)

Summary of transfers to cash-backed reserves

Building	600	300	832
Asset management	600	-	440
Cultural Centre	-	-	-
Property acquisition	1,422	300	2,179
Sustainability	300	-	180
Aquatic and recreation centre	-	-	-
Sanitation	464	-	-
Community improvements	-	-	28
Traffic bridge	-	-	-
Interest free loans	29	-	15
CLAG	6	-	6
Port Mandurah canals maintenance Stage 2	-	-	-
Mariners Cove canals maintenance	-	-	-
Port Bouvard canals maintenance	-	-	-
Soccer club rooms refurbishment	-	-	-
Cash in lieu POS contributions	99	-	58
Unspent grants and contributions	3,624	-	5,035
Long Service Leave	312	-	84
Carbon Offset	-	-	30
Bushland Acquisition	500	500	549
Port Bouvard surf club rooms	-	-	-
Refurbishment Bortolo Pavillion	-	-	-
Refurbishment Rushton Park Pavillion	-	-	-
Refurbishment Meadow Springs Pavillion	-	-	-
Digital Futures	-	-	-
Decked Car Park	-	-	-
Specified Area Rate Waterside canals	3	-	3
Specified Area Rate Port Mandurah canals	88	38	71
Specified Area Rate Mandurah Quay canals	15	-	10
Specified Area Rate Mandurah Ocean Marina	382	-	3
Specified Area Rate Port Bouvard canals	44	-	20
Specified Area Rate Mariners Cove	11	-	6
Specified Area Rate Eastport	12	-	8
Sportclubs Maintenance Levy	93	-	-
	<u>8,604</u>	<u>1,138</u>	<u>9,557</u>

Summary of transfers from cash-backed reserves

Building	(793)	(1,111)	(950)
Asset management	(1,927)	(1,995)	(983)
Cultural Centre	(232)	(322)	(331)
Property acquisition	(178)	-	-
Sustainability	-	-	-
Aquatic and recreation centre	-	-	(908)
Sanitation	(345)	(1,000)	(371)
Traffic bridge	-	(500)	(2,500)
Road network	-	-	(51)
Interest free loans	(40)	-	(100)
Mandurah Ocean Marina	(11)	(100)	-
Waterways	-	-	-
Cash in lieu POS contributions	(880)	(916)	-
Unspent grants and contributions	(4,294)	(1,520)	(12,354)
Carbon Offset	-	-	(31)
Bushland Acquisition	-	-	-
Specified Area Rate Waterside canals	(7)	(5)	(2)
Specified Area Rate Port Mandurah canals	(10)	-	-
Specified Area Rate Mandurah Quay canals	(2)	-	-
Specified Area Rate Mandurah Ocean Marina	(445)	-	(10)
Specified Area Rate Port Bouvard canals	(29)	-	-
Specified Area Rate Mariners Cove	(15)	-	-
Specified Area Rate Eastport	(12)	-	-
	<u>(9,220)</u>	<u>(7,469)</u>	<u>(18,757)</u>

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

29. Commitments for expenditure

(a) Capital expenditure commitments

At the reporting date, the City had the following contract commitments for capital projects (which have not been provided for elsewhere in the financial statements) and are due for payment within one year:

	30 June 2018 \$'000	30 June 2017 \$'000
Road construction	1,006	416
Drainage construction	509	427
Street Lighting Upgrades	175	394
Heavy Vehicles & Equipment	662	323
Mandurah Performing Arts Centre upgrades	125	306
Halls Head Ablution Block	-	296
Park and Reserve Upgrades	283	123
Light Vehicles	-	104
Upgrades to North Mandurah Community Centre	5	75
Boardwalk Renewal	476	62
Visitor Centre Upgrades	-	43
Halls Cottage Conservation Stage 3	-	27
Port Bouvard Surf Club	64	25
Building Construction	28	25
Mandurah Aquatic and Recreation Centre upgrade	7	17
Bridge Construction	196	14
Cambria Island Repair Retaining Wall	-	12
Geothermal Heating System	-	3
Waste Management Centre Upgrades	805	-
Lakelands DOS	206	-
Falcon Bay Foreshore & Seawall Upgrades	101	-
CCTV Infrastructure	108	-
Museum Courtroom Interpretation Project	55	-
	<u>4,811</u>	<u>2,692</u>

(b) Lease commitments

Non-cancellable operating lease payments:

Future operating lease rentals of plant and equipment not provided for in the financial statements and subject to return at the end of lease term:

Payable - not later than 1 year	1,410	1,353
- later than 1 year but not later than 5 years	1,643	2,418
- later than 5 years	-	-
	<u>3,053</u>	<u>3,771</u>

Non-cancellable operating lease receivables:

Future operating lease rental income for generally sporting and cultural activities with lease terms of between 1 and 42 years. Lease have periodic review clauses linked to market values, consumer price index or participant numbers.

Receivable - not later than 1 year	1,670	1,185
- later than 1 year but not later than 5 years	5,206	4,412
- later than 5 years	12,347	15,040
	<u>19,223</u>	<u>20,637</u>

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

30. Bonds and deposits

The funds over which the City has no control and which are not included in the financial statements are as follows:

	Balance 1/07/17 \$'000	Amounts Received \$'000	Amounts Paid \$'000	Balance 30/06/18 \$'000
Marina pen key deposits	5	-	-	5
Maintenance bonds	772	81	(95)	758
Public open space contributions	693	-	-	693
Outstanding works	760	7	(81)	686
Kerb/verge deposits	838	25	(5)	858
Deposits/refunds	279	4	(6)	277
MARC hall deposits	45	39	(41)	43
Senior Citizens Centre	3	-	-	3
Rates refunds	1	-	-	1
Loan guarantee funds	-	-	-	-
Contributions to works	276	-	-	276
Hall/key deposits	41	-	(17)	24
Reserve/key deposits	9	-	(9)	-
Ranger equipment hire deposits	1	7	(7)	1
Library deposits	2	-	-	2
Accommodation deposits	2	-	-	2
Nomination Deposits	-	2	(2)	-
TOTALS	3,727	165	(263)	3,629

31. Trust funds

The City has \$21,420 held in trust for consignment and travel payments relating to monies received for bookings and sale of consignment goods by the Mandurah Visitor Centre.

Opening Balance 1 July 2017 \$'000	Receipts \$'000	Paid Out \$'000	Closing Balance 30 June 2018 \$'000
23	261	263	21

32. Current position at 1 July 2017

The current position balance carried forward from the previous year for the purpose of the 2017/2018 budget was surplus of \$2,260,000.

The actual opening current position balance shown in the audited financial report as at 30 June 2017 was surplus of \$4,581,000.

The difference is made up of prepaid rates revenue as at 30 June 2017 and revisions to the end of year financial position totalling \$2,321,000.

CITY OF MANDURAH
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018

33. Performance measures - financial ratios

	30 June 2018	30 June 2017	30 June 2016
(a) Current ratio	1.11	0.93	0.97
(b) Asset consumption ratio	0.73	0.72	0.73
(c) Asset renewal funding ratio	1.42	1.42	0.76
(d) Asset sustainability ratio	0.54	1.12	1.01
(e) Debt service cover ratio	2.25	3.04	2.32
(f) Operating surplus ratio	(0.09)	(0.11)	(0.17)
(g) Own source revenue coverage ratio	0.87	0.84	0.81

The above ratios are calculated as follows:

(a) Current ratio	<u>Current assets minus restricted assets</u> Current liabilities minus liabilities associated with restricted assets
(b) Asset consumption ratio	<u>Depreciated replacement cost of depreciable assets</u> Current replacement cost of depreciable assets
(c) Asset renewal funding ratio	<u>NPV of planned capital renewals over 10 years</u> NPV of required capital expenditure over 10 years
(d) Asset sustainability ratio	<u>Capital renewal and replacement expenditure</u> Depreciation expense
(e) Debt service cover ratio	<u>Annual operating surplus before interest and depreciation</u> Principal and interest
(f) Operating surplus ratio	<u>Operating revenue minus operating expense</u> Own source operating revenue
(g) Own source revenue coverage ratio	<u>Own source operating revenue</u> Operating expense

34. Contingent liabilities

The City has no identified contingent liabilities at the reporting date.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

35. Major land transactions

(a) Details

The City is sub-dividing land at Lots 1197 and 1200 Leisure Way, Halls Head. This development is the subject of a Business Plan approved in March 2007, a copy of which is available on request from the City's Administration Office. Preliminary design works commenced in 2006/07 and \$3.03 million has been spent for development costs to 30 June 2018.

(b) Current year transactions

	Original Project \$'000	2017/2018 Actual \$'000	Up to 30 June 2017 \$'000
<u>Income</u>	13,977	1,367	2,176
<u>Expenditure</u>			
Materials & contracts			
Advertising	-		(38)
Project management	(345)		(476)
Surveying	-		(2)
Development and administration	(3,775)		(2,437)
Selling costs and settlement	(482)	(38)	(74)
Interest charges	(300)		-
Fees and taxes	(125)		(5)
Surplus/(Deficit)	8,950	1,329	(856)
<u>Assets</u>			
Land - at fair value		6,044	7,419
<u>Liabilities</u>		Nil	Nil

(c) Expected future cash flows

	2018/19 \$'000	2019/20 \$'000
<u>Cash Inflows</u>		
Land sales	2,500	850
GST refund	-	-
	<u>2,500</u>	<u>850</u>
<u>Cash Outflows</u>		
Project management		
Development & administration		
Selling costs	(233)	(79)
Other Costs	(43)	(14)
	<u>(276)</u>	<u>(93)</u>
Net Cash Flows	<u>2,224</u>	<u>757</u>

36. Events after the reporting date

There have been no subsequent events of a material nature to report since the end of the financial year.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

37. Financial instruments

City activities expose it to financial risks including price risk, credit risk, liquidity risk and interest rate risk. The overall risk management strategy is focused on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the City's financial performance.

The City does not engage in foreign currency transactions, therefore has no exposure to foreign currency risk.

Financial risk management is carried out by Financial Services section of the City's administration in accordance with policies approved by the council which provide written principles on interest rate risk, credit risk and the investment of excess liquidity.

The City held the following financial instruments as at the reporting date:

	Carrying value		Fair Value	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<u>Financial assets</u>				
Cash and cash equivalents	49,081	43,887	49,081	43,887
Receivables	8,357	10,654	8,357	10,654
	57,438	54,541	57,438	54,541
<u>Financial liabilities</u>				
Payables	9,367	9,177	9,367	9,177
Borrowings	29,205	29,095	29,205	29,095
	38,572	38,272	38,572	38,272

The City considers that the carrying amount of financial assets and financial liabilities recorded on the financial statements represents their respective fair values.

(a) Interest rate risk management

The Council is exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates. The risk to cash and cash equivalents is that movements in interest rates will affect returns. The City manages this risk by diversifying investments with a range of maturities and types.

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. This risk is managed by borrowing over long terms and fixing the interest rate to the situation considered the most advantageous to council at the time of negotiation.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

(b) Interest rate sensitivity analysis

The table below represents a summary of the interest rate sensitivity of the City's financial assets and financial liabilities at year end on the (loss)/surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

	Carrying amount \$'000	-1% Change Loss \$'000	Equity \$'000	+1% Change Loss \$'000	Equity \$'000
2018					
Financial assets					
Cash	7,192	(72)	(72)	72	72
Deposits	41,889	(419)	(419)	419	419
		(491)	(491)	491	491
Financial liabilities					
Borrowings	29,205	292	292	(292)	(292)
		292	292	(292)	(292)
Total (Increase)/Decrease		(199)	(199)	199	199
2017					
Financial assets					
Cash	12,808	(128)	(128)	128	128
Deposits	31,079	(311)	(311)	311	311
		(439)	(439)	439	439
Financial liabilities					
Borrowings	29,095	291	291	(291)	(291)
		291	291	(291)	(291)
Total (Increase)/Decrease		(148)	(148)	148	148

(c) Price risk management

Price risk is the risk that the capital value of an investment may fluctuate due to changes in market prices whether these changes are caused by factors specific to individual financial instruments or their issuers or factors affecting similar instruments traded in a market.

The City manages this risk to its cash and cash equivalents by diversifying its portfolio, only purchasing investments with high credit ratings or capital guarantees.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

37. Financial instruments (continued)

(c) Credit risk management

Credit risk is the risk of financial loss to the City if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The risk arises principally from cash, cash equivalents, trade and other receivables.

The City manages the risk to its cash and cash equivalents by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

The City's major receivables comprise rates, annual charges and user fees and charges and the risk is that these will not be paid. The City manages this risk by monitoring outstanding debts and employing council approved debt recovery policies.

The risk with rates and annual charges is minimised by the ability to recover these debts as a secured charge over the land - that is, the land can be sold to recover the debt. The City is also able to charge higher than market interest rates on overdue rates which further encourages payment.

A suitable provision for doubtful debts is made by the City as required following critical assessment of outstanding receivables. There are no material receivables that have been subject to a re-negotiation of payment terms and the City has no material credit risk to any single debtor under any financial instrument entered into.

(d) Liquidity risk management

Liquidity risk is the risk that there are insufficient funds on hand to meet payment obligations as they fall due. Payables and borrowings are both subject to this risk. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms may be extended if required.

Liquidity and interest risk table

The following table sets out the carrying amount, by maturity, of the City's financial instruments that are exposed to interest rate and liquidity risk:

	Weighted average rate %	Floating interest rate \$'000	Fixed Interest Rate Maturity			Non interest bearing \$'000	Total \$'000
			Less than 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000		
2018							
Financial assets							
Cash and cash at bank	0.95	6,894	-	-	-	21	6,915
Deposits	2.52	533	41,633	-	-	-	42,166
Receivables	-	-	-	-	-	8,827	8,827
Total financial assets		7,427	41,633	-	-	8,848	57,908
Financial liabilities							
Borrowings	3.62	-	-	16,075	13,130	-	29,205
Payables	-	-	-	-	-	9,367	9,367
Total financial liabilities		-	-	16,075	13,130	9,367	38,572
2017							
Financial assets							
Cash at bank	0.96	10,089	-	-	-	23	10,112
Deposits	2.50	527	33,766	-	-	-	34,293
Receivables	-	-	-	-	-	10,982	-
Total financial assets		10,616	33,766	-	-	11,005	55,387
Financial liabilities							
Borrowings	3.86	-	771	18,279	10,045	-	29,095
Payables	-	-	-	-	-	9,177	9,177
Total financial liabilities		-	771	18,279	10,045	9,177	38,272

(e) Fair value of financial instruments

The aggregate net fair values and carrying amounts of financial assets and financial liabilities are disclosed in the statement of financial position and the notes to the financial statements.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

38. Fair value measurements

(i) Assets measured at Fair Value

Fair Value as at 30 June 2018	Note	Level 1 (Significant observable inputs)	Level 2 (Significant other observable inputs)	Level 3 (Significant unobservable inputs)	Total
Non-Financial Assets	11	\$'000	\$'000	\$'000	\$'000
Land		-	78,285	15,180	93,465
Buildings		-	1,253	153,175	154,428
Furniture and fittings		-	-	1,845	1,845
Plant and Machinery		-	3,285	7,560	10,845
Bridges		-	-	64,993	64,993
Parks		-	-	186,805	186,805
Roads, footpaths, kerbs and seals		-	-	338,655	338,655
Drainage		-	-	130,308	130,308
Marina		-	-	1,347	1,347
Coastal & Estuary		-	-	47,308	47,308
Total		-	82,823	947,176	1,029,999

There were no transfers between Levels 1, 2 or 3 during the period.

(ii) Valuation techniques to derive Level 2 fair values

The fair value of the City's Land, Buildings, Furniture and Fittings and Plant and Machinery has been arrived at on the basis of a valuation carried out by Griffin Valuation Advisory independent valuers. They have appropriate qualifications and recent experience in the valuation of properties in the relevant locations.

Level 2 fair values of Land, Buildings and Plant and Machinery are derived using the market approach that reflects recent transaction prices for similar assets. This method of valuation takes into consideration factors such as location, zoning, land area, development potential, topography, and current market conditions. In estimating the fair value of the properties, the highest and best use of the properties is their current use. The most recent valuation was performed in June 2016.

(iii) Valuation techniques to derive Level 3 fair values

In the absence of market based evidence due to the specialised nature of some non-financial assets, these assets are considered to be at Level 3 of the fair value hierarchy using a cost approach or market approach adjusted for restrictions. These restrictions have been placed on their use and disposal when they are not determined to be surplus requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service and the Local Government Act 1995.

The fair value of the City's unit rates for Roads, footpaths, kerbs and seals, Drainage, Parks, Bridges and Coastal and Estuary assets have been arrived at on the basis of a valuation carried out by Aquent Consulting Pty Ltd ("Aquent"). They have appropriate qualifications and recent experience in the valuation of infrastructure assets. The most recent valuation was performed in June 2018.

(iv) Valuation process

There were no changes to the valuation techniques during the period.

No transfers between the different levels of the fair value hierarchy have occurred. Transfers between levels will occur where inputs used in making individual asset and liability fair value measurements no longer satisfy the current level of classification.

Fair values for specialised Buildings, Plant and Equipment and Infrastructure assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, that is depreciated replacement cost. The depreciated replacement cost approach considers the cost to reproduce or replace similar assets with an asset in new condition, less an amount for depreciation in the form of accrued physical wear and tear, economic and functional obsolescence.

Fair value for land is based on market value, by either using market evidence of sales of comparable land that is unrestricted less restoration costs to return the site to a vacant and marketable condition (low restricted use land), or comparison with market evidence for land with low level utility (high restricted use land).

Significant level 3 inputs used by the City are derived and evaluated as follows:

Costs per square metre floor area (m2)

Costs ascribed to various building components have been based on Rawlinsons Australian Construction Handbook and the Ralph Beattie Bosworth Compendium. All building and improvement values have been calculated from a Perth based construction rate with an appropriate district allowance applied to each location.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

38. Fair value measurements (continued)

Consumed economic benefit/obsolescence of asset

These are estimated by Griffin Valuation Advisory, Aqunta Consulting, the City's in-house civil engineers and technical staff.

Land with restricted utility

Fair value for land is determined by comparison with market evidence for land with low level utility. Relevant comparators of land with low utility are selected by Griffin Valuation Advisory.

Master unit rates

Fair value of Parks, Drainage, Roads, Footpaths, Kerbs and Seals are estimated using current replacement cost based on master unit rates. The rates were determined by independent valuers Aqunta Consulting Pty Ltd during the most recent valuation. The assets were disaggregated to an appropriate component level to ensure reliable measure of cost and service capability and deterioration of estimated useful Life.

Aqunta derived its rates from its internal database, rates for construction of similar assets and supplier quotations where required. The rates were increased by an appropriate percentage to allow for project overheads.

(iv) Information about significant unobservable inputs (Level 3) in fair value measurements

Description and fair value as at 30 June 2018 \$'000	Valuation Technique(s)	Significant unobservable inputs	Range of significant unobservable inputs (weighted average)	Relationship of unobservable inputs to fair value
Land (\$15,180)	Market Approach	Selection of Land similar approximate utility	\$4.59 - \$993.38 per square metre	Higher value of similar land increases estimated fair value.
Buildings (\$153,175)	Depreciated Replacement Cost	Historical cost per square metre floor area	The diversity of the various assets in this class make it difficult to provide meaningful information in a summarised format. (a)	Higher historical cost per m2 increases fair value
		Consumed economic benefit/obsolescence of asset	2.83% per year	Greater consumption of economic benefit or increased obsolescence lowers the fair value.
Furniture and fittings (\$1,845)	Depreciated Replacement Cost	Historical cost per unit	Individual rates per item over a wide range of items - \$1,500 - \$100,000	Higher historical cost per unit increases fair value.
		Consumed economic benefit/obsolescence of asset	7.79% per year	Greater consumption of economic benefit or increased obsolescence lowers the fair value.
Plant and Machinery (\$7,560)	Depreciated Replacement Cost	Historical cost per unit	Individual rates per item over a wide range of items - \$1,500 - \$450,000	Higher historical cost per unit increases fair value.
		Consumed economic benefit/obsolescence of asset	9.21% per year	Greater consumption of economic benefit or increased obsolescence lowers the fair value.

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

38. Fair value measurements (continued)

Description and fair value as at 30 June 2018 \$'000	Valuation Technique(s)	Significant unobservable inputs	Range of significant unobservable inputs (weighted average)	Relationship of unobservable inputs to fair value
Bridges (\$64,993)	Depreciated Replacement Cost	Aqunta Consulting valuation cost per unit (i) Consumed economic benefit/obsolescence of asset	Individual rates per item over a range of items \$150,000 - \$44,000,000 1.01% per year	Higher historical cost per unit increases fair value Greater consumption of economic benefit or increased obsolescence lowers the fair value.
Parks (\$186,805)	Depreciated Replacement Cost	Aqunta Consulting Valuation unit rates (i) Consumed economic benefit/obsolescence of asset	The diversity of the various assets in this class make it difficult to provide meaningful information in a summarised format. (a) 4.96% per year	Higher unit rates increases fair value. Greater consumption of economic benefit or increased obsolescence lowers the fair value.
Roads, Footpaths, Kerbs and Seals (\$338,655)	Depreciated Replacement Cost	Aqunta Consulting Valuation unit rates (i) Consumed economic benefit/obsolescence of asset	Road pavement - \$34.92 per square metre Road surface/seal - \$4.09 - \$99.40 per square metre Kerb - \$38.76 - 45.34 per lineal metre Footpaths - \$37.43 - \$2,498.10 per square metre Bus stop shelters - measured at cost. 1.86% per year	Higher unit rates increases fair value. Greater consumption of economic benefit or increased obsolescence lowers the fair value.

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

38. Fair value measurements (continued)

Description and fair value as at 30 June 2018 \$'000	Valuation Technique(s)	Significant unobservable inputs	Range of significant unobservable inputs (weighted average)	Relationship of unobservable inputs to fair value
Drainage (\$130,308)	Depreciated Replacement Cost	Aquenta Consulting Valuation unit rates (i) Consumed economic benefit/obsolescence of asset	Pipes - \$126.32 - \$934.05 per lineal metre Access chambers - \$277.48 - \$345.16 per square metre Collection pits - \$285.99 - \$8,318.37 per item Water quality devices - \$46,381.50 per item 1.25% per year	Higher unit rates increases fair value. Greater consumption of economic benefit or increased obsolescence lowers the fair value.

Description and fair value as at 30 June 2018 \$'000	Valuation Technique(s)	Significant unobservable inputs	Range of significant unobservable inputs (weighted average)	Relationship of unobservable inputs to fair value
Coastal & Estuary (\$47,308)	Depreciated Replacement Cost	Aquenta Consulting Valuation unit rates (i) Consumed economic benefit/obsolescence of asset	Boat Ramps - \$1,429.88 - \$2,394.78 per square metre Jetties - \$993.54 - \$4,226.17 per square metre Boardwalks - \$886.63 - \$2,498.10 per square metre Seawalls - \$899.44 - \$5,186.53 per lineal metre 2.20% per year	Higher unit rates increases fair value. Greater consumption of economic benefit or increased obsolescence lowers the fair value.

(i) The Aquenta unit rates utilised a number of inputs that require judgement and are therefore unobservable including number of labour hours, material and plant usage quantities and estimates of overheads.

(a) The diversity of the numerous assets in these classes make it difficult to provide meaningful information in a summarised format. Parks comprises of outdoor playing surfaces, irrigation (bores and reticulation), park furniture, play grounds, sculptures, art, shelters, fencing, garden beds, landscaping, signage and lighting. These assets have multiple components comprising different unit rates and useful lives and as such, an average could be misleading.

Buildings comprises of toilet blocks, community and town halls, administration buildings, theatres and heritage buildings. These assets have multiple components comprising different unit rates and useful lives and as such, an average would be misleading. If estimated costs used in level 3 fair value calculations were 10% higher or lower, the fair value of these assets would increase or decrease by :

Description	\$'000
Land	1,518
Buildings	15,318
Furniture and fittings	185
Plant and machinery	756
Bridges	6,499
Parks	18,681
Roads, footpaths, kerbs and seals	33,866
Drainage	13,031
Coastal & Estuary	4,731

CITY OF MANDURAH

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2018**

38. Fair Value Measurements (continued)

(vi) Fair value measurement using significant unobservable inputs (Level 3)

	Land	Buildings	Furniture and fittings	Plant and machinery	Parks	Drainage	Roads, footpaths, kerbs and seals	Bridges	Marina	Coastal and Estuary	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance 1 July 2017	15,180	154,297	1,437	5,932	156,319	124,959	310,279	29,717	1,553	44,153	843,826
Additions		3,723	544	2,304	3,396	1,748	12,353	33,952		1,217	59,237
Revaluation increments/(decrements) recognised in Profit and Loss	-	-	-	-	-	-	-	-	-	-	-
Revaluation increments/(decrements) recognised in Other Comprehensive Income	-	-	-	153	39,521	5,793	25,968	1,869	-	3,984	77,288
Transfer (to)/from Level 2	-	-	-	-	-	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	(337)	-	(151)	(1,502)	(30)	(1,056)	(3)	-	(57)	(3,136)
Depreciation expense	-	(4,508)	(136)	(677)	(10,929)	(2,163)	(8,889)	(542)	(206)	(1,989)	(30,039)
Fair value at end of period	15,180	153,175	1,845	7,561	186,805	130,307	338,655	64,993	1,347	47,308	947,176
Total gains or losses for the period included in profit or loss, under "Other gains"	-	-	-	-	-	-	-	-	-	-	-
Change in unrealised gains or losses for the period included in profit or loss for assets held at the end of the reporting period	-	-	-	-	-	-	-	-	-	-	-

Revaluation is recognised in the current year as infrastructure additions are valued at current unit rates based on current valuations.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

39. Related Party Transactions

(a) Subsidiaries

The City has no subsidiaries, joint venture or associate investments.

(b) Key management personal compensation

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel (KMP). Details of persons holding the position of Councillors or other members of key management personnel at any time during the year are:

Councillors (Some in office for part of the financial year)

Marina Vergone	Part Year
Rhys Williams	Part Year
Jane Field	Part Year
Fred Riebeling JP	Full Year
Tahlia Jones	Full Year
Darren Lee	Full Year
Lynn Rodgers	Full Year
Merv Darcy	Part Year
Shane Jones	Full Year
Ron Wortley	Full Year
Caroline Knight	Full Year
Peter Jackson	Full Year
Dave Schumacher	Full Year
Shannon Lawson	Part Year
Matt Rogers	Part Year
Peter Rogers	Full Year

Chief Executive Officer and other Key Management Personnel

Position	Name
Chief Executive Officer	Mark Newman
Director Works & Services	Allan Claydon
Director Sustainable Development	Tony Free
Executive Manager Strategy & Business Performance	Graeme Davies
Corporate Lawyer Legal, Governance & Procurement (Position Redundant)	Wido Peppinck/Vacant
Acting Executive Manager Finance and Governance	David Prattent
Director People & Communities (Position Redundant)	Lesley Wilkinson/Vacant

(c) Key management personal compensation

The total remuneration paid to KMP during the year is as follows:

	2018 \$'000	2017 \$'000
Description		
Short Term Economic Benefits	1,948	1,896
Post-Employment Benefits	158	161
Long-Term Benefits	26	88
Termination Benefits	512	-
Total	2,644	2,145

Short-term employee benefits

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP including details in respect to fees and benefits paid to elected members which may also be found at Note 17.

Post-employment benefits

These amounts are the current-year's estimated cost of providing for the City's superannuation contributions made during the year.

Other long-term benefits

These amounts represent long service benefits including the non-current entitlement to LSL accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP during the year.

CITY OF MANDURAH

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2018

(d) Transactions with other related parties

Description		2018 \$	2017 \$
Fees and charges charged to associates		-	-
# Fees and charges charged to entities controlled by key management personnel		2	2
Infrastructure contributions from entities controlled by key management personnel		-	-
Employee expenses for close family members of key management personnel		-	-
Purchase of materials and services from entities controlled by key management personnel		-	-

#The City leases a house to Westaus Crisis and Welfare Inc., a not-for-profit organisation over which some of the Council's key management personnel have significant influence. The charges to Westaus were consistent with Council's schedule of fees for community organisation.

There were no other transactions with related parties.

(e) Outstanding balances

The City has no balances currently outstanding for key management personnel or other related parties

(f) Loan and Guarantees to/from related parties

The City does not make loans to or receive loans from related parties. No guarantees have been provided.

(g) Commitments to/from other related parties

The City has no outstanding commitments to/from other related parties



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