

MINUTES

**FINANCE AND ADMINISTRATION
COMMITTEE**

17 NOVEMBER 2015

APPROVED FOR RELEASE



**GARY STEVENSON PSM
CHIEF EXECUTIVE OFFICER**



CITY *of* PERTH

MINUTES

**FINANCE AND ADMINISTRATION
COMMITTEE**

17 NOVEMBER 2015

**THESE MINUTES ARE HEREBY CERTIFIED AS
CONFIRMED**

**PRESIDING MEMBER'S
SIGNATURE**

J. E. Davidson

DATE: *8/12/2015.*

FINANCE AND ADMINISTRATION COMMITTEE

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Minutes of the meeting of the City of Perth **Finance and Administration Committee** held in Committee Room 1, Ninth Floor, Council House, 27 St Georges Terrace, Perth on **Tuesday, 17 November 2015**.

MEMBERS IN ATTENDANCE

Cr Davidson - Presiding Member
Cr Chen
Cr Harley

OFFICERS

Mr Stevenson - Chief Executive Officer
Mr Carter - Director Economic Development and Activation
Mr Crosetta - Director Construction and Maintenance
Mr Mianich - Director Corporate Services
Ms Moore - Director Community and Commercial Services
Mr Richards - Manager Finance
Mr Ridgwell - Manager Governance
Mr Mulcahy - Senior Management Accountant
Dr Mackay - Temporary Public Art Program Coordinator
Ms Best - Governance Officer

GUESTS AND DEPUTATIONS

Nil

OBSERVER

The Lord Mayor

FA210/15 DECLARATION OF OPENING

4.00pm The Presiding Member declared the meeting open.

FA211/15 APOLOGIES AND MEMBERS ON LEAVE OF ABSENCE

Nil

FA212/15 QUESTION TIME FOR THE PUBLIC

Nil

FA213/15 CONFIRMATION OF MINUTES

Moved by Cr Chen, seconded by Cr Harley

That the minutes of the meeting of the Finance and Administration Committee held on 6 October 2015 and Special Finance and Administration Committee held on 29 October 2015 be confirmed as a true and correct record.

The motion was put and carried

The votes were recorded as follows:

For: Crs Davidson, Chen and Harley

Against: Nil

FA214/15 CORRESPONDENCE

Nil

FA215/15 DISCLOSURE OF MEMBERS' INTERESTS

Nil

FA216/15 MATTERS FOR WHICH THE MEETING MAY BE CLOSED

The Presiding Member advised that in accordance with Section 5.23(2) of the *Local Government Act 1995*, the meeting will be required to be closed to the public prior to discussion of the following:

Confidential Item No. and Schedule No.	Item No. and Title	Reason
Item No. 8 & Confidential Schedules No. 9, 10, 11, 12 & 14	Item FA224/15 - Request For Reimbursement of Legal Expenses – Mr Frank Edwards	Section 5.23(2)(b)

**FA217/15 FINANCE AND ADMINISTRATION COMMITTEE –
REVIEW OF TERMS OF REFERENCE**

BACKGROUND:

FILE REFERENCE: P1029513
REPORTING UNIT: Governance
RESPONSIBLE DIRECTORATE: Corporate Services
DATE: 29 October 2015
MAP / SCHEDULE: Schedule 1 – Terms of Reference for Committees as at 22 October 2015.
Schedule 2 – Proposed Revised Terms of Reference presented to Council on 22 October 2015.

At its meeting held on **4 June 2013**, Council adopted a revised Committees of Council structure, establishing the resulting Committees and adopting the terms of reference for each Committee.

Following the 2015 Local Government Elections, at its special meeting held on **22 October 2015**, Council resolved to refer the Terms of Reference to each of the relevant Committees for review.

The current Terms of Reference for Finance and Administration Committee are attached as Page 3 of Schedule 1 for review. It is noted that any amendments proposed will require the endorsement of Council.

The Delegations to Committees are currently included in the body of the Terms of Reference. It is proposed to amend the Terms of Reference so that the delegation by Council is annotated and can be more easily varied by Council from time to time.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation Section 5.8 of the *Local Government Act 1995*

Integrated Planning and Reporting Framework Implications **Corporate Business Plan**
Council Four Year Priorities: Capable and Responsive Organisation
A capable, flexible and sustainable organisation with a strong and effective governance system to provide leadership as a capital city and provide efficient and effective community centred services.

DETAILS:

The Finance and Administration Committee were required to cancel one meeting in 2015 due to the Council Elections and have held one special meeting on 29 October 2015 in addition to the ordinary cycle.

The Finance and Administration Committee considered 134 items from January to December 2014 and at present have considered 114 items since January 2015. It is identified from these statistics that the Finance and Administration Committee considers the highest amount of reports than any other committee of Council.

It is noted that the Finance and Administrative Committee has enhanced its scope since taking on board the duties of the then General Purposes (GP) Committee in June 2013, being the last time the Committees Terms of Reference was reviewed.

It had been identified that a number of items previously considered by the GP Committee had been dealt with administratively or through Council Policy where possible. This now permits the Finance and Administration Committee to consider significant items that fall within the scope of its Terms of Reference.

FINANCIAL IMPLICATIONS:

There are no financial implications related to this report.

COMMENTS:

An amendment to the Finance and Administration Committee Terms of Reference is also proposed arising from a number of occasions whereby other Committee meetings have had to be cancelled due to Committee Member and Deputy unavailability through their other commitments on behalf of the City of Perth.

Whilst the majority of matters considered by a Committee can be deferred to the next scheduled meeting, there are occasions where urgent operational matters are required to be resolved.

The Finance and Administration Committee has the broadest Terms of Reference scope of all the City's standing committees. Whilst the use of Deputies will continue to be the first option to ensure that a Committee meeting can proceed, it is proposed to amend the Finance and Administration Committee's Terms of Reference to ensure that, where necessary, for urgent operational matters they can be dealt with by the Finance and Administration Committee.

The effect of the proposed amendment is that matters under the scope of Terms of Reference for other Committees would only be referred to the Finance and Administration Committee if a delay in the decision making will negatively impact on operational outcomes.

OFFICER RECOMMENDATION

That the Finance and Administration Committee:

1. considers the revised Terms of Reference for the Finance and Administration Committee, as detailed in Schedule 2;
2. notes that any amendments will require the consideration and endorsement of Council.

Moved by Cr Harley, seconded by Cr Chen

1. *That 1(i) of the Finance and Administration Committee Terms of Reference be amended to read as follows:*

“(i) any other matters requiring a decision of the Council and not specifically defined in the Terms of Reference for any other Committee of the Council or where the substantive Committee is unable to be convent and a decision is necessary to fulfil operational requirements.”

2. *That Council notes the transfer of the Delegated Authority from the Terms of Reference being placed as a footnote.*

The motion was put and carried

The votes were recorded as follows:

For: Crs Davidson, Chen and Harley

Against: Nil

FA218/15 PAYMENTS FROM MUNICIPAL AND TRUST FUNDS – SEPTEMBER 2015

BACKGROUND:

FILE REFERENCE: P1031101-19
REPORTING UNIT: Finance
RESPONSIBLE DIRECTORATE: Corporate Services
DATE: 2 October 2015
MAP / SCHEDULE: TRIM ref. 173105/15

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
Council Four Year Priorities: Community Outcome Capable and Responsive Organisation
A capable, flexible and sustainable organisation with a strong and effective governance system to provide leadership as a capital city and deliver efficient and effective community centred services.

COMMENTS:

Payments for the month of September 2015 included the following significant items:

- \$7,164,456.21 to the Fire and Emergency Services Authority of WA for the emergency service levy first quarterly payment for 2015/16.
- \$1,921,973.11 to Doric Contractors Pty Ltd for the August 2015 progress claim in relation to the Perth City Library and Public Plaza project.
- \$1,379,014.54 to the Western Australian Treasury Corporation for loan payments of \$541,200.68 for the Elder Street Carpark, \$32,774.82 for the Goderich Street Carpark, \$244,464.23 for the construction of the new Perth City Library and Public Plaza and \$560,574.81 for the PCEC Carpark.
- \$696,335.19 to Civcon Civil and Project Management Pty Ltd for Hay Street streetscape enhancement and electrical and lighting upgrade works at Barrack Street.

Moved by Cr Harley, seconded by Cr Chen

That in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, the list of payments made under delegated authority for the month ended 30 September 2015, be received and recorded in the Minutes of the Council, the summary of which is as follows:

<i>FUND</i>	<i>PAID</i>
<i>Municipal Fund</i>	<i>\$ 24,415,245.27</i>
<i>Trust Fund</i>	<i>\$ 191,844.94</i>
<i>TOTAL:</i>	<i>\$ 24,607,090.21</i>

The motion was put and carried

The votes were recorded as follows:

For: Crs Davidson, Chen and Harley

Against: Nil

**FA219/15 PAYMENTS FROM MUNICIPAL AND TRUST FUNDS –
OCTOBER 2015**

BACKGROUND:

FILE REFERENCE: P1031101-20
REPORTING UNIT: Finance
RESPONSIBLE DIRECTORATE: Corporate Services
DATE: 30 October 2015
MAP / SCHEDULE: TRIM ref. 192777/15

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation Regulation 13(1) of the *Local Government (Financial Management) Regulations 1996*

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
Council Four Year Priorities: Community Outcome Capable and Responsive Organisation
A capable, flexible and sustainable organisation with a strong and effective governance system to provide leadership as a capital city and deliver efficient and effective community centred services.

COMMENTS:

Payments for the month of October 2015 included the following significant items:

- \$1,181,406.80 to LGIS WA for the second instalment of the City's insurance renewals for 2015/16
- \$1,002,088.02 to Doric Contractors Pty Ltd for the September 2015 progress claim in relation to the Perth City Library and Public Plaza project.
- \$989,891.98 to Treasury WA Pty Ltd for claim 2 of the St Georges Terrace and Barrack Street paving works.
- \$711,834.69 to the Western Australian Treasury Corporation for the loan payment for the City of Perth Library and Public Plaza Project.

Moved by Cr Chen, seconded by Cr Harley

That in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, the list of payments made under delegated authority for the month ended 30 October 2015, be received and recorded in the Minutes of the Council, the summary of which is as follows:

FUND	PAID
Municipal Fund	\$ 17,629,612.20
Trust Fund	\$ 200,909.45
TOTAL:	<u>\$ 17,830,521.65</u>

The motion was put and carried

The votes were recorded as follows:

For: Crs Davidson, Chen and Harley

Against: Nil

FA220/15 INVESTMENTS AND INVESTMENT RETURNS FOR THE PERIOD ENDED 30 SEPTEMBER 2015

KEY MESSAGE

Total investment earnings amounted to \$275,211 in September

BACKGROUND:

FILE REFERENCE: P1031639-4
RESPONSIBLE UNIT: Finance
RESPONSIBLE DIRECTORATE: Corporate Services
DATE: 6 October 2015
MAP / SCHEDULE: Schedule 3 – Investment Report for the period ended 30 September 2015, Short Term Investments and Institutional Credit and Ratings

Investments are made in accordance with Policy 9.3 – Management of Investments. The policy sets objectives and risk management guidelines for investing surplus and reserve funds not immediately required for any other purpose.

This report reviews the results for the month of September 2015.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation Section 6.14 of the *Local Government Act 1995*
 Regulation 19C of the *Local Government (Financial Management) Regulations 1996*

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
 Council Four Year Priorities: Community Outcome Capable and Responsive Organisation
 A capable, flexible and sustainable organisation with a strong and effective governance system to provide leadership as a capital city and deliver efficient and effective community centred services.

Policy
 Policy No and Name: 9.3 – Management of Investments

DETAILS:

	Actual \$	Budget \$	Variation \$
Interest Earnings	275,211	392,250	(117,039)

Average Rate	2.22%
Benchmark Rate	2.16%
RBA Cash Rate	2.00%

*Figures exclude rate arrears.

Call Accounts

Balance at 30 September 2015	\$21.6 million
Interest Earned	\$43,587
Rate for balances over \$2 million	2.50%

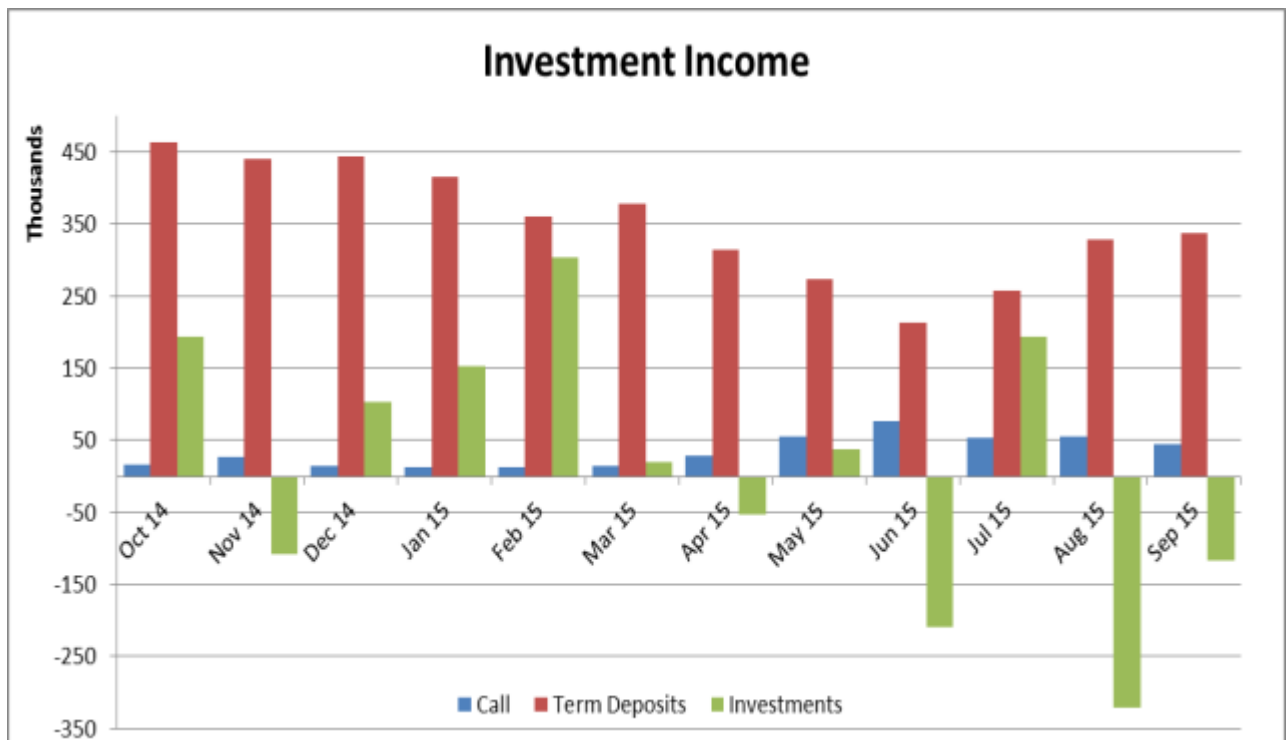
Term Deposits

Balance at 30 September 2015	\$134.3 million
Interest Earned	\$337,943
Average Rate (Municipal funds)	2.88%
Most Recent Rate (Municipal funds)	2.90%

Other Investments

	Interest Earned \$	Interest Rate %
Emerald Mortgage Backed Security	11,006	3.00
Colonial Share Index Balanced Fund	(\$116,325)	(35.72%)

The ASX 200 index fell by 185 points in September and as a result the Colonial Share Index Balanced fund had a negative return for the month. The City's investment advisors recommend to hold the investment, but may revise this view if there is further weakness in the market.



Spread of Investments

The City's exposure to investment institutions is as follows:

ANZ	10%
AMP	6%
Bank of Queensland	19%
BankWest	15%
NAB	26%
Suncorp Metway	20%
Others	4%
	<hr/>
	100%

FINANCIAL IMPLICATIONS:

Reported investment earnings (excluding interest on rates arrears) at \$275,211 after Trust Account adjustments, were \$117,039 below budget in September.

COMMENTS

The City continues to adhere to its policy of obtaining the best returns commensurate with risk and the constraints imposed by the State Government regulations.

Moved by Cr Harley, seconded by Cr Chen

That the Finance and Administration Committee receives the report detailing investments and investment returns for the period ended 30 September 2015, as detailed in Schedule 3.

The motion was put and carried

The votes were recorded as follows:

For: Crs Davidson, Chen and Harley

Against: Nil

**FA221/15 INVESTMENTS AND INVESTMENT RETURNS FOR THE
PERIOD ENDED 31 OCTOBER 2015**

KEY MESSAGE

Total investment earnings amounted to \$566,314 in October.

BACKGROUND:

FILE REFERENCE:	P1031639-4
RESPONSIBLE UNIT:	Finance
RESPONSIBLE DIRECTORATE:	Corporate Services
DATE:	10 November 2015
MAP / SCHEDULE:	Schedule 4 – Investment Report for the period ended 31 October 2015, Short Term Investments and Institutional Credit and Ratings

Investments are made in accordance with Policy 9.3 – Management of Investments. The policy sets objectives and risk management guidelines for investing surplus and reserve funds not immediately required for any other purpose.

This report reviews the results for the month of October 2015.

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation Section 6.14 of the *Local Government Act 1995*
 Regulation 19C of the *Local Government (Financial Management) Regulations 1996*

Integrated Planning and Reporting Framework Implications **Strategic Community Plan**
 Council Four Year Priorities: Community Outcome Capable and Responsive Organisation
 S18 Strengthen the capacity of the organisation

Policy
 Policy No and Name: 9.3 – Management of Investments

DETAILS:

	Actual \$	Budget \$	Variation \$
Interest Earnings	566,314	392,250	174,064

Average Rate	4.57%
Benchmark Rate	2.25%
RBA Cash Rate	2.00%

*Figures exclude rate arrears.

Call Accounts

Balance at 31 October 2015	\$20.6 million
Interest Earned	\$53,590
Rate for balances over \$2 million	2.50%

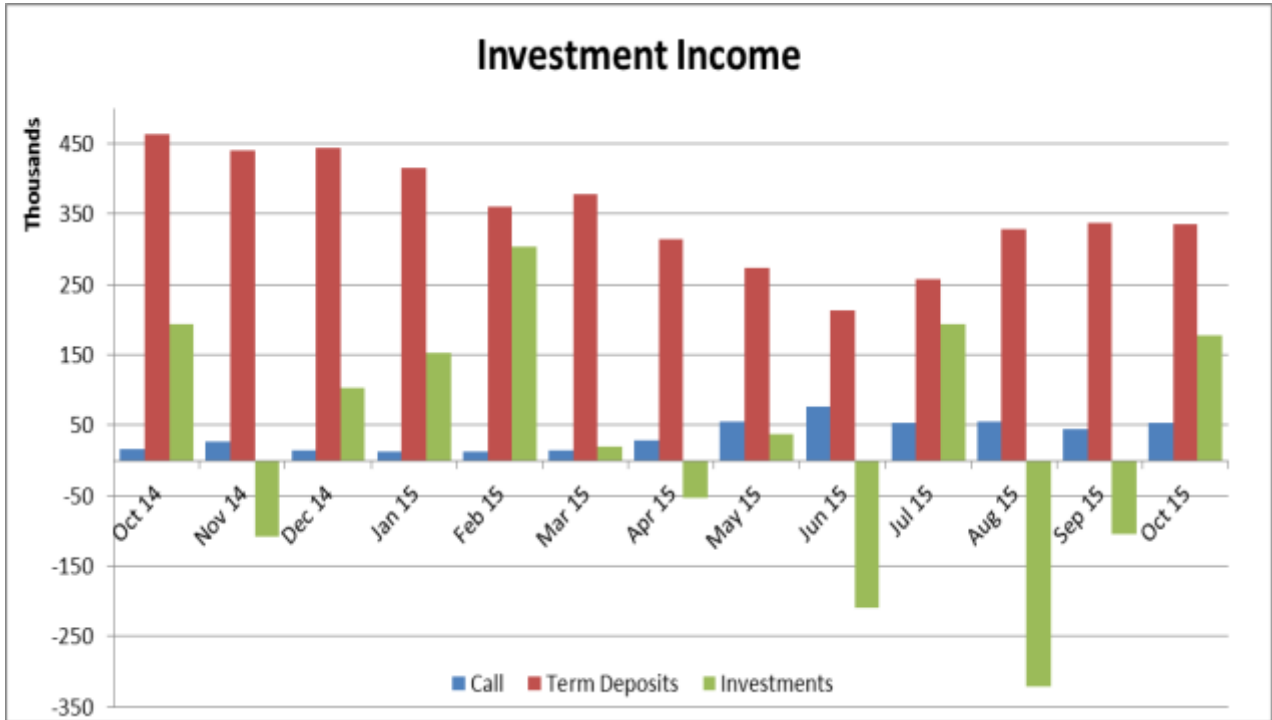
Term Deposits

Balance at 31 October 2015	\$136.301 million
Interest Earned	\$334,931
Average Rate (Municipal funds)	2.88%
Most Recent Rate (Municipal funds)	2.85%

Other Investments

	Interest Earned \$	Interest Rate %
Emerald Mortgage Backed Security	11,380	2.99
Colonial Share Index Balanced Fund	166,414	65.03%

The ASX 200 index rose by over 200 points in October and as a result the Colonial Share Index Balanced fund had a positive return for the month. The City’s investment advisors recommend the City continue to hold this investment.



Spread of Investments

The City’s exposure to investment institutions is as follows:

Institution	Credit Rating	Percentage	Percentage Allowed
ANZ	A1+	10%	100%
Bankwest	A1+	15%	
NAB	A1+	21%	
AMP	A1	6%	
Suncorp Metway	A1	17%	
		69%	
Bank of Queensland	A2	27%	60%
Barclays	NR	2%	10%
Colonial	NR	2%	
		4%	

FINANCIAL IMPLICATIONS:

Reported investment earnings (excluding interest on rates arrears) at \$566,314 after Trust Account adjustments, were \$174,064 above budget in October.

COMMENTS

The City continues to adhere to its policy of obtaining the best returns commensurate with risk and the constraints imposed by the State Government regulations.

Moved by Cr Chen, seconded by Cr Harley

That the Finance and Administration Committee receives the report detailing investments and investment returns for the period ended 31 October 2015, as detailed in Schedule 4.

The motion was put and carried

The votes were recorded as follows:

For: Crs Davidson, Chen and Harley

Against: Nil

**FA222/15 FINANCIAL STATEMENTS AND FINANCIAL ACTIVITY
STATEMENT FOR THE PERIOD ENDED 30
SEPTEMBER 2015**

BACKGROUND:

FILE REFERENCE:	P1014149-25
REPORTING UNIT:	Finance
RESPONSIBLE DIRECTORATE:	Robert Mianich, Director Corporate Services
DATE:	20 October 2015
MAP / SCHEDULE:	Schedule 5 – Financial Statements and Financial Activity Statement for the period ended 30 September 2015

LEGISLATION / STRATEGIC PLAN / POLICY:

Legislation	Section 6.4(1) and (2) of the <i>Local Government Act 1995</i> Regulation 34(1) of the <i>Local Government (Financial Management) Regulations 1996</i>
Integrated Planning and Reporting Framework Implications	Strategic Community Plan Council Four Year Priorities: Community Outcome Capable and Responsive Organisation A capable, flexible and sustainable organisation with a

strong and effective governance system to provide leadership as a capital city and deliver efficient and effective community centred services.

DETAILS:

The Financial Activity Statement is presented together with a commentary on variances from the annual budget.

FINANCIAL IMPLICATIONS:

There are no direct financial implications arising from this report.

COMMENTS:

The Financial Activity Statement commentary compares the actual results for the three months to 30 September 2015 to the Annual Budget 2015/16 adopted by Council on 9 June 2015.

Moved by Cr Chen, seconded by Cr Harley

That Council approves the Financial Statements and the Financial Activity Statement for the period ended 30 September 2015 as detailed in Schedules 5.

The motion was put and carried

The votes were recorded as follows:

For: Crs Davidson, Chen and Harley

Against: Nil

FA223/15 COMMONWEALTH WALKWAY, PERTH

BACKGROUND:

FILE REFERENCE:	P1032056
REPORTING UNIT:	Arts, Culture and Heritage
RESPONSIBLE DIRECTORATE:	Economic Development and Activation
DATE:	3 November 2015
MAP / SCHEDULE:	Schedule 6 – Letter from Outdoor Trust to the Lord Mayor Schedule 7 – Notes from meeting at Government House 10 September 2015 Schedule 8 – Notes from meeting at Council House 29 September 2015

In a letter to the Chief Executive Officer (CEO) dated 16 February 2015 an approach was made to the City by a UK based charity, The Outdoor Trust, regarding a proposal to establish a new walkway through the city on existing footpaths. The proposed Commonwealth Walkway will consist of a series of round metal markers (carrying the Royal cipher by permission of Her Majesty The Queen), an interpretive panel marking the start of the trail, and an accompanying smart phone application for users of the trail.

The Outdoor Trust has been established in the United Kingdom to facilitate the generation of 100 walkways in 100 of the main cities of the Commonwealth's 71 nations and territories over the next three years. In Perth it is hoped that the Commonwealth Walkway may be approximately 10km in length and will connect many of the city's highlights.

At its meeting on 17 March 2015, Council agreed to:

authorise further discussions with Outdoor Trust UK on the Commonwealth Walkway, Perth proposal noting that a further report will be provided once more detail is confirmed.

Following further discussions, the purpose of this report is to provide Council with report on progress and to seek support for the City's continued development of this project.

LEGISLATION / STRATEGIC PLAN / POLICY:

**Integrated Planning
and Reporting
Framework
Implications**

Strategic Community Plan

Council Four Year Priorities: Community Outcome
Healthy and Active in Perth

A city with a well-integrated built and green natural environment in which people and families chose a lifestyle that enhances their physical and mental health and take part in arts, cultural and local community events.

DETAILS:

The proposal from The Outdoor Trust UK, provided in a letter to the Lord Mayor dated 9 June 2015 (Schedule 6), that outlines the goals of the Commonwealth Walkways as follows:

- Heightening interest and awareness in cities, their history and their architecture.
- Getting people (particularly people under 30) walking, which is good for their health.
- Helping to link the whole Commonwealth together.
- Celebrating the Queen as Head of the Commonwealth for over 63 years in a subtle way.

The Commonwealth Walkways are modelled on the very successful Jubilee Walkway in London, which the Outdoor Trust continues to manage, and initially delivered in the Trust's former incarnation as the Jubilee Walkway Trust. At the present time the Outdoor Trust has obtained commitments to the Commonwealth Walkways project in the following places:

Samoa	Glasgow, Scotland	Ottawa, Canada
Gold Coast, Australia	Wellington, New Zealand	Auckland, New Zealand
Rarotonga, Cook Islands	Falkland Islands	Ascension Islands
	Tristan de Cunha	

The proposed Perth walkway has been most recently discussed in some depth at two meetings. The first was hosted by Her Excellency The Hon. Kerry Sanderson AO, Governor of Western Australia at Government House on 10 September 2015 (See Schedule 7). The Second was hosted by the former Deputy Lord Mayor, Cr Butler, at Council House on 29 September 2015 (See Schedule 8).

Key messages from these meetings were:

- There is a need to have Council support for the City of Perth to take a lead role in progressing the project.
- It has been agreed to develop a potential route from scratch drawing on local expertise in the form of a small working group, rather than beginning with the trail proposed by the Outdoor Trust in the letter of 9 June 2015 (Schedule 6).
- It has been proposed to work towards the placement of the first three markers of the Perth trail in key locations by the time of Her Majesty the Queen's date of birth, 21 April 2016, which will coincide with the commencement of her 90th year.

Once a route has been proposed, the role of the City of Perth, is envisaged as follows:

- Consult locally on the route, agree the points of Commonwealth significance and provide relevant text and images.

- Coordinate the installation of the Commonwealth Walkway Perth markers in the pavement at each of the points of Commonwealth significance.
- Install and launch the Commonwealth Walkway Perth Interpretive Panel, to be located at a suitable location close to the first marker – possibly at Government House - to promote the route; Perth’s Commonwealth significance; and the values and principles of the Commonwealth Charter.

Trails advocate and volunteer Mr David Forster will work with the City on the preliminary progression of the project. Mr Forster is available to support the project, at no cost to the City other than the provision of accommodation, until 24 December 2015. Once approved by Council, over the coming week, Mr Forster will work collaboratively with the City on:

1. The development of a suitable trail route that adds value to and complements the existing trails on offer within the City of Perth.
2. Pursuing financial support for the project via Lotterywest and other funding sources.

FINANCIAL IMPLICATIONS:

The Outdoor Trust have provided the following total cost estimate for the project (converted to \$AUD from £ Stirling):

1. Development of the Walkway concept	In kind support
2. Installation of the Walkway components	
<i>A. Bronze Markers - Item cost \$685 AUD (x 35)</i>	\$23,975
<i>B. Bronze Marker installation @ \$500e x 35</i>	\$17,500
<i>C. Mobile App - text and image content drafting</i>	FREE
<i>D. Mobile App uploading of the Perth Walkway content</i>	\$6,480
<i>E. Interpretive Panel design, production and supply</i>	\$20,518
<i>F. Interpretive Panel installation @ \$500</i>	\$500
<i>G. Shipping of materials</i>	\$3,240
<i>H. Project Management Costs Locally</i>	In kind support
<i>I. Contribution to Project Management Costs Internationally</i>	\$ 8,129
Total	\$80,342

The Outdoor Trust have stated that they are seeking sponsors to support the international delivery of the walkways as a whole, including the supply of markers and interpretive panels to participating cities. The pursuit of local sponsorship, and grant funding is also envisaged as providing financial support for the project, ideally at no cost to the City of Perth. In particular, the prospect of obtaining Lotterywest funding is actively being investigated and shows some promise. Seeking financial support from local organisations and businesses who will benefit from the patronage of people using the trail is another potential source of funding, pursued successfully by the Outdoor Trust for the Jubilee Walkway in London.

In advance of the Outdoor Trust or the City of Perth successfully securing sponsorship and/or grant funding, the Trust have requested that the City of Perth be willing to assist in meeting costs in Perth to build momentum for the project and to meet project goals in terms of timing.

The City of Perth is also likely to need to make a financial commitment and resources for the ongoing care and management of the markers and other physical components of the trail.

The details of the City's actual financial commitment to this project will need to be the subject of further investigation and negotiations as the project is developed, and is contingent upon the outcomes of sponsorship arrangements and grants applications. When determined, the financial implications for the City of Perth will be detailed in a future report to Council.

All figures quoted in this report are exclusive of GST.

COMMENTS:

It is noted that this project will result in the placement of metal markers at sites in the city that bear a superficial resemblance to commemorative plaques, applications for which the City would typically consider with reference to *Policy 1.6 Memorials, Monuments and Plaques*. In this instance it is considered that the proposal is focused on a walking trail outcome with the provision of interpretive material, rather than primarily on the selection of significant people, events and places singled out for special commemoration. For this reason, it is felt that the Commonwealth Walkways project falls outside of the scope of *Policy 1.6 Memorials, Monuments and Plaques*. The City's care for the markers and other physical elements of the walkway would be consistent with the City's maintenance and asset management approach for plaques.

Moved by Cr Chen, seconded by Cr Harley

That Council:

- 1. approves the City's involvement in and progression of the Commonwealth Walkway, Perth project through the development of a suitable walkway route that adds value to and complements the existing trails on offer within the City of Perth;***
- 2. notes the City will pursue financial support for the project via Lotterywest and other funding sources.***

The motion was put and carried

The votes were recorded as follows:

For: Crs Davidson, Chen and Harley

Against: Nil

MOTION TO CLOSE THE MEETING

Moved by Cr Davidson, seconded by Cr Chen

That Council resolves to close the meeting to the public to consider Confidential matters in accordance with Section 5.23(2)(b) of the Local Government Act 1995.

The motion was put and carried

The votes were recorded as follows:

For: Crs Davidson, Chen and Harley

Against: Nil

4.29pm The meeting was closed to the public.

**FA224/15 REQUEST FOR REIMBURSEMENT OF LEGAL
EXPENSES – MR FRANK EDWARDS**

BACKGROUND:

FILE REFERENCE:	N/A
REPORTING UNIT:	Governance
RESPONSIBLE DIRECTORATE:	Corporate Services
DATE:	29 October 2015
MAP / SCHEDULE:	Confidential Schedule 9 – CCC Summons to Attend at an Examination dated 6 July 2015 Confidential Schedule 10 – CCC Disclosure Prohibited Notice dated 6 July 2015 Confidential Schedule 11 – CCC Notice of Cease of Effect of Non-Disclosure dated 7 October 2015 – Confidential Schedule 12 – Tax Invoice, Philip Urquhart, Barrister dated 24 July 2015 Schedule 13 – Council Policy 10.16 - Legal Representation for Members and Employees Confidential Schedule 14 – Statutory Declaration – Mr Frank Edwards

In accordance with Section 5.23 (2)(b) of the *Local Government Act 1995*, this item is confidential and has been distributed to the Elected Members under separate cover.

Moved by Cr Chen, seconded by Cr Harley

That Council approves the request dated 27 October 2015 by Mr Frank Edwards for reimbursement of \$2,860 (including GST) for Legal Expenses incurred in his capacity as the former Chief Executive Officer of the City Of Perth.

The motion was put and carried

The votes were recorded as follows:

For: Crs Davidson, Chen and Harley

Against: Nil

MOTION TO RE-OPEN THE MEETING

Moved by Cr Davidson, seconded by Cr Chen

That Council resolves to re-open the meeting to the public.

The motion was put and carried

The votes were recorded as follows:

For: Crs Davidson, Chen and Harley

Against: Nil

4.34pm The meeting was re-opened at 6.39pm and no members of the public returned.

Therefore, in accordance with clause 5.26(6)(b) of the City of Perth Standing Orders Local Law 2009, the motion was not read aloud but is recorded in the meeting minutes.

FA225/15 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

FA226/15 GENERAL BUSINESS

Responses to General Business from a Previous Meeting

Nil

New General Business

Nil

FA227/15 ITEMS FOR CONSIDERATION AT A FUTURE MEETING

Outstanding Items:

- Council Dining Room (raised FA30/09/14, updated 21/04/15).
- Program for CCTV Cameras around the City (raised FA29/10/15)

FA228/15 CLOSE OF MEETING

4.34pm There being no further business the Presiding Member declared the meeting closed.

SCHEDULES
FOR THE MINUTES OF THE
FINANCE AND
ADMINISTRATION
COMMITTEE MEETING
HELD ON
17 NOVEMBER 2015

STANDING COMMITTEES OF COUNCIL

Convened in accordance with s.5.8 of the Local Government Act 1995

Marketing, Sponsorship & International Engagement Committee

TERMS OF REFERENCE

OCM 04/06/13

1. To oversee and make recommendations to the Council on matters related to:
 - a. marketing of the city (including marketing of the City's car parks);
 - b. initiatives to promote Perth as a tourist destination;
 - c. events held in Forrest Place and the Hay and Murray Street Malls and other Council reserves and parks;
 - d. international relations including Sister City relationships and U.S. Naval visits and the World Energy City Partnership;
 - e. the implementation of the Christmas Decorations Strategy;
 - f. the management of the Australia Day Celebrations;
 - g. street busking in the City;
 - h. use of the City's banner and flag sites;
 - i. corporate communications and public relations.
2. To assess and determine:
 - a. requests made to the Council for donations and sponsorship, with authority to approve or decline requests of \$10,000 or less;
 - b. requests to waive fees associated with the hire of the City's exhibition screens in accordance with Procedure PR0720, with authority to approve or decline requests over \$5,000.

Works & Urban Development Committee

TERMS OF REFERENCE:

OCM 04/06/13

To oversee and make recommendations to the Council on matters related to:

1. works required to construct, upgrade and maintain streets, footpaths, thoroughfares and other public places, including streetscape upgrades, landscaping initiatives and directional signage and graffiti;
2. design, construction and upgrading of parks, reserves, recreational and civic amenities and facilities and Council owned buildings, excluding Council House, the Perth Town Hall, City of Perth Public Lending Library and the Perth Concert Hall;
3. the façade lighting of buildings;
4. waste management.

Finance & Administration Committee

TERMS OF REFERENCE:

OCM 04/06/13

1. To oversee and make recommendations to the Council on matters related to:
 - a. the financial management of the City including budgeting, payment of accounts, collection of debts, investment of funds and write-offs;
 - b. strategic and annual plans;
 - c. management of local government property, including issues relating to the City's civic buildings (Council House, Perth Town Hall, Perth Concert Hall and the City of Perth Library);
 - d. business opportunities and proposals, including those related to parking, having the potential to achieve new income or savings for the City, which may have been initiated by other Committees of the Council;
 - e. fees and charges levied by the City in accordance with Sections 6.16 or 6.32 of the Local Government Act 1995;
 - f. Elected Members, including protocols and procedures, benefits and allowances;
 - g. Council's policies, local laws and Register of Delegations;
 - h. the management and enforcement of permanent and temporary on-street parking proposals or restrictions and any associated fees or signage;
 - i. any other issues requiring a decision of the Council and not specifically defined in the Terms of Reference for any other Committee of the Council.
2. To determine:
 - a. public art, art purchases and management of the City's art collection with the authority to purchase artworks over \$5,000 (excluding GST) and the deaccession of artworks in accordance with Policy 18.2 – Collection Management;
 - b. requests for receptions referred to the Committee by the Lord Mayor, with authority to approve or decline requests of \$5,000 or less.

Planning Committee

TERMS OF REFERENCE:

OCM 04/06/13

To oversee and make recommendations to the Council on matters related to:

1. development, building, demolition, sign and alfresco dining applications and proposals for subdivision or amalgamation;
2. the City Planning Scheme and planning policies;
3. identification of long term planning opportunities and major projects, including the Perth City Link, Elizabeth Quay and Waterbank;
4. strategic town planning initiatives and economic development;
5. Heritage, including:
 - 5.1 the City of Perth Municipal Inventory;
 - 5.2 the Register of Places of Cultural Heritage Significance referred to in City Planning Scheme No 2, and management of same;
 - 5.3 heritage incentive initiatives;
6. transport and traffic network planning issues;
7. environmental improvement strategies including environmental noise management;
8. liquor licensing;
9. land administration issues, such as street names, closures of roads and rights-of-way and vesting of reserves;
10. applications for events held within the City of Perth that require planning approval as a result of excessive noise or traffic management proposals.
11. legislation and compliance in relation to land use planning.

OCCASIONAL COMMITTEES OF COUNCIL

Convened in accordance with s.5.8 of the Local Government Act 1995

Audit and Risk Committee

TERMS OF REFERENCE:

OCM 19/11/13

1. The Audit and Risk Committee's role, in accordance with Regulation 16 of the Local Government (Audit) Regulations 1996, is to provide guidance and assistance to the local government regarding:
 - a. the matters to be audited;
 - b. the scope of audits; and
 - c. financial, risk and compliance management functions as prescribed in the Local Government Act 1995; as well as
 - d. other matters specified in these Terms of Reference.
2. The Committee may resolve to request the Chief Executive Officer (CEO) to provide any information or make arrangements to provide independent expert advice, as appropriate and required by the Committee in order to fulfil its duties and responsibilities.
3. The Committee is to review and make recommendations to the Council regarding:
 - a. **Financial Management**
 - i. the annual Financial Statements with a view to being satisfied as to their accuracy and timeliness and the inclusion of prescribed disclosures and information;
 - ii. changes in accounting practices, policies and material changes in accounting treatment, providing advice on the appropriateness of implementation strategies; and
 - iii. the City's financial status and performance.
 - b. **Risk Management**
 - i. the City's risk management strategies and policies;
 - ii. the adequacy of the City's risk management systems and practices; and
 - iii. the management of strategic risks, identifying as appropriate, specific risks for more detailed review and response.

c. Internal Controls

- i. the standard and effectiveness of the City's corporate governance and ethical considerations; and
- ii. the integrity, adequacy and effectiveness of the City's financial and administration policies, systems and controls in providing financial and governance information which:
 - is accurate and reliable;
 - complies with legislative obligations and requirements; and
 - minimises the risk of error, fraud, misconduct or corruption.

d. Legislative Compliance

- i. the integrity, adequacy and effectiveness of the City's systems and controls for legislative compliance;
- ii. the level of compliance with legislative obligations as well as the City's policies;
- iii. the CEO's report on the review of the City's legislative Compliance systems, at least once biennially; and
- iv. the annual statutory Compliance Audit.

e. Internal and External Audit Planning and Reporting

- i. the process to select and the appointment of an External Auditor;
- ii. the integrity, adequacy and effectiveness of the City's Internal Audit Plan and External Audit Plan;
- iii. reports, findings and recommendations arising from Internal and External Audits;
- iv. the audit of the City's Annual financial statements;
- v. the integrity, adequacy and effectiveness of the management response and any actions proposed to be taken to address issues raised by the Internal or External Auditor; and
- vi. the oversight and monitoring of implementation of agreed actions.

Delegated Authority 1.1.3 – Audit and Risk Committee provides authority for the Committee to fulfil the duty of the Council to meet with the City's External Auditor at least once per year [s.7.12A(2)].

CEO Performance Review Committee

TERMS OF REFERENCE:

OCM 04/06/13

To:

1. Undertake an annual review of the performance of the Chief Executive Officer as required by Section 5.38 of the Local Government Act 1995;
2. Establish annual performance objectives for the Chief Executive Officer;
3. Report the outcome of the review referred to in part 1 above to Council.

SCHEDULE 2

Proposed Revised Terms of Reference as presented at Special Council Meeting held on
22 October 2015

Finance and Administration Committee

TERMS OF REFERENCE:

1. To oversee and make recommendations to the Council on matters related to:
 - a. the financial management of the City including budgeting, payment of accounts, collection of debts, investment of funds and write-offs;
 - b. strategic and annual plans;
 - c. management of local government property, including issues relating to the City's civic buildings (Council House, Perth Town Hall, Perth Concert Hall and the City of Perth Library);
 - d. business opportunities and proposals, including those related to parking, having the potential to achieve new income or savings for the City, which may have been initiated by other Committees of the Council;
 - e. fees and charges levied by the City in accordance with Sections 6.16 or 6.32 of the Local Government Act 1995;
 - f. Elected Members, including protocols and procedures, benefits and allowances;
 - g. Council's policies, local laws and Register of Delegations;
 - h. the management and enforcement of permanent and temporary on-street parking proposals or restrictions and any associated fees or signage;
 - i. any other issues requiring a decision of the Council and not specifically defined in the Terms of Reference for any other Committee of the Council or where the substantive Committee is unable to be convened and a decision is necessary to fulfil operational requirements.

NOTE:

Delegated Authority 1.1.1 – Finance and Administration Committee provides authority for the Committee to:

1. Approve or decline requests for receptions of up to \$5,000 in value referred to the Committee by the Lord Mayor [FM Reg.12(1)(b)].
2. Purchase artworks worth over \$5,000 and the deaccession of artworks [FM Reg.12(1)(b) and s.3.58(2) and (3)].
3. Determine matters assigned by delegated authority to the Marketing, Sponsorship and International Engagement Committee and the Audit and Risk Committee, only where the respective Committee is unable to be convened and a decision is necessary to fulfil operational requirements.

SCHEDULE 3

INVESTMENT REPORT

	Market Value	Market Value	Cost & Impairment	% of	Interest Earned	Weighted Average Monthly	Interest Earned
30-Sep-15	31-Aug-15	30-Sep-15	30-Sep-15	Class	Sept	Rate	YTD
Municipal							
Short term Direct Investments							
Call	\$21,550,996	\$16,736,916	\$16,736,916	10.6%	\$35,461	2.59%	\$97,590
Term Deposits	\$71,000,000	\$68,500,000	\$68,500,000	43.2%	\$173,390	2.88%	\$390,369
Short	\$92,550,996	\$85,236,916	\$85,236,916		\$208,851	2.84%	\$487,959
Total Municipal - Cash Back Securities	\$92,550,996	\$85,236,916	\$85,236,916		\$208,851	2.84%	\$487,959
Total Municipal Investments	\$92,550,996	\$85,236,916	\$85,236,916		\$208,851	2.84%	\$487,959
Reserves							
Short term Direct Investments							
Call	\$3,396,423	\$2,367,901	\$2,367,901	1.5%	\$3,254	2.50%	\$41,308
Term Deposits	\$63,000,000	\$61,000,000	\$61,000,000	38.5%	\$152,063	2.96%	\$494,741
Total	\$66,396,423	\$63,367,901	\$63,367,901		\$155,317	2.95%	\$536,049
Floating Rate Notes/ CLNs							
WPAC- Sub Debt -FRN	\$0	\$0	\$0	0.0%	\$0	0.00%	\$1,985
Total	\$0	\$0	\$0		\$0	0.00%	\$1,985
Medium term Direct Investments							
Barclays - Emerald -MBS	2,474,343	2,480,039	\$2,721,799	1.7%	\$11,006	3.00%	\$33,721
Total	\$2,474,343	\$2,480,039	\$2,721,799		\$11,006	3.00%	\$33,721
Total Reserve - Cash Back Securities	\$68,870,766	\$65,847,940	\$66,089,700		\$166,322	2.95%	\$571,754
Balanced Funds							
Colonial Share Index	\$3,965,775	\$3,849,532	\$3,849,532	100%	-\$116,325	-35.72%	-\$268,886
Total	\$3,965,775	\$3,849,532	\$3,849,532		-\$116,325	-35.72%	-\$268,886
Total Reserve Investments	\$72,836,542	\$69,697,473	\$69,939,233		\$49,998	-35.72%	\$302,868
Trust							
Short term Direct Investments							
Call	\$2,245,819	\$2,488,290	\$2,488,290	1.6%	\$4,872	2.50%	\$12,888
Term Deposits	\$4,798,455	\$4,801,420	\$4,801,420	3.0%	\$11,490	2.90%	\$37,926
Total	\$7,044,274	\$7,289,710	\$7,289,710		\$16,362	2.78%	\$50,814
Total Trust - Cash Back Securities	\$7,044,274	\$7,289,710	\$7,289,710		\$16,362	2.78%	\$50,814
Total Investments-Cash Back Securities	\$168,466,036	\$158,374,566	\$158,616,326		\$391,535	2.88%	\$1,110,528
Grand Total Investments	\$172,431,811	\$162,224,099	\$162,465,859		\$275,211	2.28%	\$841,641

INVESTMENT RATES:

CASH RATE
2.00%

BENCHMARK
2.16%

AVERAGE excl.Trust
2.22%

CITY OF PERTH - SHORT TERM INVESTMENTS (Excluding Call) AS AT 30 SEPTEMBER 2015

FUND	INSTITUTION	TYPE	AMOUNT	RATE	LODGED	MATURITY	Total	TOTAL INTEREST	
							Investment Days	individual outstanding investment	
MUNICIPAL	BANKWEST	Short Term Direct Investments TERM DEPOSITS	\$ 4,000,000.00	2.85%	14/07/2015	12/11/2015	121	\$ 37,791.78	
MUNICIPAL	BANKWEST	Short Term Direct Investments TERM DEPOSITS	\$ 7,000,000.00	2.85%	17/07/2015	30/11/2015	136	\$ 74,334.25	
MUNICIPAL	BANKWEST	Short Term Direct Investments TERM DEPOSITS	\$ 3,000,000.00	2.85%	3/08/2015	25/01/2016	175	\$ 40,993.15	
MUNICIPAL	BANKWEST	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.90%	31/07/2015	29/01/2016	182	\$ 72,301.37	
MUNICIPAL	BANKWEST	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.85%	14/09/2015	18/03/2016	186	\$ 72,616.44	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.90%	21/07/2015	31/12/2015	163	\$ 64,753.42	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.85%	6/08/2015	7/01/2016	154	\$ 60,123.29	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.90%	7/08/2015	11/02/2016	188	\$ 74,684.93	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.90%	10/08/2015	18/02/2016	192	\$ 76,273.97	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.90%	10/08/2015	29/02/2016	203	\$ 80,643.84	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 3,500,000.00	2.90%	20/08/2015	17/03/2016	210	\$ 58,397.26	
MUNICIPAL	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 8,000,000.00	2.95%	30/06/2015	30/10/2015	122	\$ 78,882.19	
MUNICIPAL	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 4,000,000.00	2.92%	31/07/2015	31/12/2015	153	\$ 48,960.00	
MUNICIPAL	SUNCORP	Short Term Direct Investments TERM DEPOSITS	\$ 4,000,000.00	2.80%	17/08/2015	29/01/2016	165	\$ 50,630.14	
			\$ 68,500,000.00						
RESERVES	AMP	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	3.10%	8/07/2015	11/07/2016	369	\$ 156,698.63	
RESERVES	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 1,000,000.00	2.95%	9/07/2015	7/01/2016	182	\$ 14,709.59	
RESERVES	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 1,000,000.00	2.95%	16/07/2015	14/01/2016	182	\$ 14,709.59	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 3,000,000.00	2.95%	7/05/2015	5/11/2015	182	\$ 44,128.77	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.95%	21/05/2015	19/11/2015	182	\$ 73,547.95	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 3,000,000.00	2.98%	10/07/2015	7/01/2016	181	\$ 44,332.60	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 2,000,000.00	2.95%	23/07/2015	21/01/2016	182	\$ 29,419.18	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 2,500,000.00	2.93%	31/07/2015	29/01/2016	182	\$ 36,524.66	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 3,000,000.00	2.92%	13/08/2015	11/02/2016	182	\$ 43,680.00	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 7,000,000.00	2.85%	31/08/2015	31/03/2016	213	\$ 116,420.55	
RESERVES	SUNCORP	Short Term Direct Investments TERM DEPOSITS	\$ 9,000,000.00	3.00%	30/06/2015	30/10/2015	122	\$ 90,246.58	
RESERVES	SUNCORP	Short Term Direct Investments TERM DEPOSITS	\$ 7,000,000.00	2.95%	4/06/2015	3/12/2015	182	\$ 102,967.12	
RESERVES	SUNCORP	Short Term Direct Investments TERM DEPOSITS	\$ 2,000,000.00	3.00%	11/06/2015	10/12/2015	182	\$ 29,917.81	
RESERVES	SUNCORP	Short Term Direct Investments TERM DEPOSITS	\$ 3,500,000.00	2.91%	10/09/2015	10/03/2016	182	\$ 50,785.48	
RESERVES	SUNCORP	Short Term Direct Investments TERM DEPOSITS	\$ 7,000,000.00	2.95%	30/09/2015	31/03/2016	183	\$ 103,532.88	
			\$ 61,000,000.00						
ROD EVANS TRUST	BWEST	Short Term Direct Investments TERM DEPOSITS	\$ 308,663.29	2.85%	24/09/2015	18/12/2015	85	\$ 2,048.59	
TRUST	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 2,000,000.00	2.85%	27/08/2015	26/11/2015	91	\$ 14,210.96	
TRUST	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 742,756.54	2.98%	9/07/2015	7/01/2016	182	\$ 11,036.75	
TRUST	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 1,750,000.00	3.00%	24/09/2015	24/03/2016	182	\$ 26,178.08	
			\$ 4,801,419.83						
TOTAL investments			\$ 134,301,419.83						\$ 1,896,481.78

30-Sep-15

INSTITUTION CREDIT AND RATING				
INSTITUTION	AMOUNT	PERCENTAGE	CREDIT RATING	MAX AMOUNT
ANZ	16,583,381.08	10%	A1+	OK
AMP	10,009,726.12	6%	A1	OK
ING	-	0%	A2	OK
BOQLD	30,500,000.00	19%	A2	OK
BANKWEST	24,308,663.29	15%	A1+	OK
BARCLAYS	2,721,799.00	2%	NR	OK
C B A	-	0%	A1+	OK
BENDIGO	-	0%	A2	OK
MACQUARIE	0.00	0%	A1	OK
MEQUITY	0.00	0%	A2	OK
NAB	41,992,756.54	26%	A1+	OK
ST GEORGE	-	0%	A1+	OK
SUNCORP METWAY	32,500,000.00	20%	A1	OK
WESTPAC	-	0%	A1+	OK
COLONIAL	3,849,532.47	2%	NR	OK
TOTAL	162,465,858.50	100%		

GLOBAL CREDIT EXPOSURE			
INSTITUTION	AMOUNT	PERCENTAGE	MAX ALLOWED
A1+, A1, AA	125,394,527.03	77%	100%
A2	30,500,000.00	19%	60%
A3 and Unrated	6,571,331.47	4%	10%
TOTAL	162,465,858.50	100%	

A1+	45%	INDIVIDUAL ADI EXPOSURE ALLOWED
A1	45%	
A2	40%	
A3	10%	
AAA	45%	
AA	45%	
Unrated	10%	

SCHEDULE 4

INVESTMENT REPORT

	Market Value	Market Value	Cost & Impairment	% of	Interest Earned	Weighted Average Monthly	Interest Earned
31-Oct-15	30-Sep-15	31-Oct-15	31-Oct-15	Class	Oct	Rate	YTD
Municipal							
Short term Direct Investments							
Call	\$16,736,916	\$14,451,878	\$14,451,878	9.1%	\$42,846	2.58%	\$97,590
Term Deposits	\$68,500,000	\$73,500,000	\$73,500,000	46.0%	\$171,767	2.88%	\$390,369
Short	\$85,236,916	\$87,951,878	\$87,951,878		\$214,613	2.82%	\$487,959
Total Municipal - Cash Back Securities	\$85,236,916	\$87,951,878	\$87,951,878		\$214,613	2.82%	\$487,959
Total Municipal Investments	\$85,236,916	\$87,951,878	\$87,951,878		\$214,613	2.82%	\$487,959
Reserves							
Short term Direct Investments							
Call	\$2,367,901	\$3,891,812	\$3,891,812	2.4%	\$5,619	2.50%	\$46,927
Term Deposits	\$61,000,000	\$58,000,000	\$58,000,000	36.3%	\$151,339	2.95%	\$494,741
Total	\$63,367,901	\$61,891,812	\$61,891,812		\$156,958	2.93%	\$541,668
Floating Rate Notes/ CLNs							
WPAC- Sub Debt -FRN	\$0	\$0	\$0	0.0%	\$0	0.00%	\$1,985
Total	\$0	\$0	\$0		\$0	0.00%	\$1,985
Medium term Direct Investments							
Barclays - Emerald -MBS	2,480,039	2,480,039	\$2,721,799	1.7%	\$11,380	2.99%	\$33,721
Total	\$2,480,039	\$2,480,039	\$2,721,799		\$11,380	2.99%	\$33,721
Total Reserve - Cash Back Securities	\$65,847,940	\$64,371,851	\$64,613,611		\$168,337	2.94%	\$577,373
Balanced Funds							
Colonial Share Index	\$3,849,532	\$4,016,028	\$4,016,028	100%	\$166,414	65.03%	-\$268,886
Total	\$3,849,532	\$4,016,028	\$4,016,028		\$166,414	65.03%	-\$268,886
Total Reserve Investments	\$69,697,473	\$68,387,880	\$68,629,640		\$334,751	65.03%	\$308,487
Trust							
Short term Direct Investments							
Call	\$2,488,290	\$2,260,713	\$2,260,713	1.4%	\$5,125	2.50%	\$12,888
Term Deposits	\$4,801,420	\$4,801,420	\$4,801,420	3.0%	\$11,825	2.92%	\$37,926
Total	\$7,289,710	\$7,062,133	\$7,062,133		\$16,950	2.80%	\$50,814
Total Trust - Cash Back Securities	\$7,289,710	\$7,062,133	\$7,062,133		\$16,950	2.80%	\$50,814
Total Investments-Cash Back Securities	\$158,374,566	\$159,385,862	\$159,627,622		\$399,900	2.87%	\$1,116,146
Grand Total Investments	\$162,224,099	\$163,401,890	\$163,643,650		\$566,314	4.49%	\$847,260

INVESTMENT RATES:

CASH RATE
2.00%

BENCHMARK
2.25%

AVERAGE excl.Trust
4.57%

CITY OF PERTH - SHORT TERM INVESTMENTS (Excluding Call) AS AT 31 OCTOBER 2015

FUND	INSTITUTION	TYPE	AMOUNT	RATE	LODGED	MATURITY	Total	TOTAL INTEREST	
							Investment Days	individual outstanding investment	
MUNICIPAL	BANKWEST	Short Term Direct Investments TERM DEPOSITS	\$ 4,000,000.00	2.85%	14/07/2015	12/11/2015	121	\$ 37,791.78	
MUNICIPAL	BANKWEST	Short Term Direct Investments TERM DEPOSITS	\$ 7,000,000.00	2.85%	17/07/2015	30/11/2015	136	\$ 74,334.25	
MUNICIPAL	BANKWEST	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.90%	31/07/2015	29/01/2016	182	\$ 72,301.37	
MUNICIPAL	BANKWEST	Short Term Direct Investments TERM DEPOSITS	\$ 3,000,000.00	2.85%	3/08/2015	25/01/2016	175	\$ 40,993.15	
MUNICIPAL	BANKWEST	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.85%	14/09/2015	18/03/2016	186	\$ 72,616.44	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.90%	21/07/2015	31/12/2015	163	\$ 64,753.42	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.85%	6/08/2015	7/01/2016	154	\$ 60,123.29	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.90%	7/08/2015	11/02/2016	188	\$ 74,684.93	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.90%	10/08/2015	18/02/2016	192	\$ 76,273.97	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.90%	10/08/2015	29/02/2016	203	\$ 80,643.84	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 3,500,000.00	2.90%	20/08/2015	17/03/2016	210	\$ 58,397.26	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.95%	20/10/2015	29/04/2016	192	\$ 77,589.04	
MUNICIPAL	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 8,000,000.00	2.90%	29/10/2015	6/05/2016	190	\$ 120,767.12	
MUNICIPAL	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 4,000,000.00	2.92%	31/07/2015	31/12/2015	153	\$ 48,960.00	
MUNICIPAL	SUNCORP	Short Term Direct Investments TERM DEPOSITS	\$ 4,000,000.00	2.80%	17/08/2015	29/01/2016	165	\$ 50,630.14	
			\$ 73,500,000.00						
RESERVES	AMP	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	3.10%	8/07/2015	11/07/2016	369	\$ 156,698.63	
RESERVES	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 1,000,000.00	2.95%	9/07/2015	7/01/2016	182	\$ 14,709.59	
RESERVES	BQLD	Short Term Direct Investments TERM DEPOSITS	\$ 1,000,000.00	2.95%	16/07/2015	14/01/2016	182	\$ 14,709.59	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 3,000,000.00	2.95%	7/05/2015	5/11/2015	182	\$ 44,128.77	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 5,000,000.00	2.95%	21/05/2015	19/11/2015	182	\$ 73,547.95	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 3,000,000.00	2.98%	10/07/2015	7/01/2016	181	\$ 44,332.60	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 2,000,000.00	2.95%	23/07/2015	21/01/2016	182	\$ 29,419.18	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 2,500,000.00	2.93%	31/07/2015	29/01/2016	182	\$ 36,524.66	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 3,000,000.00	2.92%	13/08/2015	11/02/2016	182	\$ 43,680.00	
RESERVES	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 7,000,000.00	2.85%	31/08/2015	31/03/2016	213	\$ 116,420.55	
RESERVES	SUNCORP	Short Term Direct Investments TERM DEPOSITS	\$ 7,000,000.00	2.95%	4/06/2015	3/12/2015	182	\$ 102,967.12	
RESERVES	SUNCORP	Short Term Direct Investments TERM DEPOSITS	\$ 2,000,000.00	3.00%	11/06/2015	10/12/2015	182	\$ 29,917.81	
RESERVES	SUNCORP	Short Term Direct Investments TERM DEPOSITS	\$ 3,500,000.00	2.91%	10/09/2015	10/03/2016	182	\$ 50,785.48	
RESERVES	SUNCORP	Short Term Direct Investments TERM DEPOSITS	\$ 7,000,000.00	2.95%	30/09/2015	31/03/2016	183	\$ 103,532.88	
RESERVES	SUNCORP	Short Term Direct Investments TERM DEPOSITS	\$ 6,000,000.00	2.85%	30/10/2015	29/04/2016	182	\$ 85,265.75	
			\$ 58,000,000.00						
ROD EVANS TRUST	BWEST	Short Term Direct Investments TERM DEPOSITS	\$ 308,663.29	2.85%	24/09/2015	18/12/2015	85	\$ 2,048.59	
TRUST	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 742,756.54	2.98%	9/07/2015	7/01/2016	182	\$ 11,036.75	
TRUST	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 2,000,000.00	2.85%	27/08/2015	26/11/2015	91	\$ 14,210.96	
TRUST	NAB	Short Term Direct Investments TERM DEPOSITS	\$ 1,750,000.00	3.00%	24/09/2015	24/03/2016	182	\$ 26,178.08	
			\$ 4,801,419.83						
TOTAL investments			\$ 136,301,419.83						
								\$ 2,010,974.93	

31-Oct-15**INSTITUTION AND CREDIT RATING**

INSTITUTION	AMOUNT	PERCENTAGE	CREDIT RATING	MAX AMOUNT
ANZ	15,583,559.59	10%	A1+	OK
AMP	10,020,843.59	6%	A1	OK
ING	-	0%	A2	OK
BOQLD	43,500,000.00	27%	A2	OK
BANKWEST	24,308,663.29	15%	A1+	OK
BARCLAYS	2,721,799.00	2%	NR	OK
C B A	-	0%	A1+	OK
BENDIGO	-	0%	A2	OK
MACQUARIE	0.00	0%	A1	OK
MEQUITY	0.00	0%	A2	OK
NAB	33,992,756.54	21%	A1+	OK
ST GEORGE	-	0%	A1+	OK
SUNCORP METWAY	29,500,000.00	18%	A1	OK
WESTPAC	-	0%	A1+	OK
COLONIAL	4,016,028.42	2%	NR	OK
TOTAL	163,643,650.43	100%		

GLOBAL CREDIT EXPOSURE

INSTITUTION	AMOUNT	PERCENTAGE	MAX ALLOWED
A1+, A1, AA	113,405,823.01	69%	100%
A2	43,500,000.00	27%	60%
A3 and Unrated	6,737,827.42	4%	10%
TOTAL	163,643,650.43	100%	

A1+	45%	INDIVIDUAL ADI EXPOSURE ALLOWED
A1	45%	
A2	40%	
A3	10%	
AAA	45%	
AA	45%	
Unrated	10%	

**FINANCIAL ACTIVITY STATEMENT FOR THE THREE MONTHS TO
30 SEPTEMBER 2015****REPORT OF VARIANCES TO BUDGET**

This report compares the actual performance for the three months to 30 September 2015 with the Annual Budget approved by Council on 9 June 2015.

Operating Revenue

- Parking revenue fell (\$1,133,000) under budget across all areas resulting from a combination of factors. The budget estimates which were based on more optimistic revenue assumptions following a review of the pricing structure have been eroded by lower patronage due to the ongoing economic conditions and the current construction activity in the City causing some disruption.

Undercover car parks were (\$341,000), open air car parks (\$362,000) and kerbside parking (\$430,000) were all lower than budget. Revenue shortfalls were spread across most car parks, with more significant variances being in the Convention Centre (\$57,000), Alexander Library (\$108,000) and Cultural Centre (\$90,000). Against this trend was the Elder Street car park that exceeded budget by \$53,000 and Pier Street, \$101,000.

A comprehensive review of the City's car parking patronage has been undertaken. From this analysis, a report will be developed and presented to Council which will propose strategies to address the decline in parking revenue.

- Fines and Costs were (\$443,000), mainly in parking fines below the budget by (\$406,000), owing to a lower level of parking generally within the City and a number of parking officer positions being vacant.
- Investment income fell short of the budget for the year to date, which is attributable to negative returns on the Colonial Share Index investment fund after the recent fall in the ASX 200 index and continuing lower than expected returns on fixed term investments. The current interest rate market is expected to continue at the lower levels for the foreseeable future.
- Rubbish Collections achieved \$481,000 higher than forecasts with better than expected uptake of co-mingled re-cycling services in the commercial sector and the transitioning of services from 240L to 660L bins resulting from the budget re-pricing strategy.
- Recurrent Grants were (\$107,000) under budget owing to earlier than expected payments of the Local Government Roads and Assistance grants received in the previous financial year.

FINANCIAL ACTIVITY STATEMENT FOR THE THREE MONTHS TO 30 SEPTEMBER 2015

REPORT OF VARIANCES TO BUDGET

- Other Revenue was (\$264,000) below budget predominantly due to phasing of Outdoor Eating License receipts (\$126,000), Food Premises inspection fees (\$38,000) and lower than expected Planning and Building inspection fees (\$109,000).

Operating Expenditure

- Employee costs were \$1.6 million below the budget. This variance is expected to reduce over time as the full impact of the City of Perth restructure is realised.
- Materials and Contracts were \$842,000 under the budget for the period spread generally throughout the organisation. Major areas were timing of work in Council House \$278,000, the Perth City Library \$245,000, including security services, cleaning and maintenance, River Wall \$170,000, Other Town Planning \$137,000 and Retail Marketing and promotions \$180,000. Other areas generally under spent included Consultancy \$306,000, Other Professional Fees \$363,000, Infrastructure Contractors \$141,000 and Property Maintenance \$488,000 such as the Concert Hall \$80,000 and Undercover car parks \$125,000. The main reason for the underspent expenditure was the budget phasing where work is still to be scheduled.

Partly offsetting the under expenditure was primarily due to phasing of the Raine Square Bridge demolition (\$904,000) and maintenance of Security and Surveillance Equipment (\$103,000), plus a range of smaller variances across other areas.

- Utilities were below budget by \$103,000 attributable to savings in power costs including the new Library \$29,000, Parks and Gardens \$16,000 and Council House \$23,000.
- Depreciation was \$902,000 under forecast compared to the budget. This occurred in the depreciation of Infrastructure Assets, such as Footpaths \$873,000 and Roads and Kerbs \$326,000. The budget calculations previously understated the average useful life of infrastructure assets and resulted in higher depreciation estimates than actually occurred. Other areas were over budget with the highest being Fixed Plant (\$142,000) and Buildings (\$75,000). Estimates for the remainder of the financial year will be revised for the October Budget Review.
- Interest Expenses for the actual year to date was reduced by the capitalisation of interest on the Perth City Library loan. The budget calculations were based on a predicted completion date that has now been delayed and did not allow for full capitalisation of interest.

**FINANCIAL ACTIVITY STATEMENT FOR THE THREE MONTHS TO
30 SEPTEMBER 2015**

REPORT OF VARIANCES TO BUDGET

- The variance in Loss on Disposal of Assets of \$182,000 was the result of higher proceeds from sale of assets due to earlier than predicted change over and disposals of vehicles. The budget also allowed for phasing of asset write-offs throughout the year which actually only occurs as capital projects are progressed.

Investing Activities

- Capital expenditure was \$1.4 million under budget due to the timing of the program of works on current projects. On-going large projects include the Perth City Library and Public Plaza, East End Enhancement Hay Street (Barrack to Pier Street), the Barrack Street 2-Way Conversion project and Treasury Footpath projects. A higher than expected figure of \$7.7 million of capital works carried over into the current financial year will likely impact the delivery of the planned works compared with the budget schedule.
- Transfers to Reserves will accelerate in the coming months in accordance with the budget program.

Financing Activities

- Transfers from Reserves are below those expected in the annual budget and reflect the lower level of capital expenditure.
- Funding from carry forwards estimated in the budget is dependent upon the progress of the capital works program.
- Capital Grants and Contributions were (\$555,000) below the budget pending receipt of the State Government's tied grant for the Roe Street Shared Path project from Fitzgerald to Thomas Streets.

Amounts sourced from Rates

- Rates revenue raised was in line with budget predictions however, there have been some recent successful objections to property valuations and the timing of interim rates for a number of large buildings still being processed through Landgate Services.

CITY OF PERTH

FINANCIAL ACTIVITY STATEMENT - for the period ended 30 September 2015

	Budget 2015/16 \$	Budget YTD 30-Sep-15 \$	Actual YTD 30-Sep-15 \$	Variance YTD 30-Sep-15 \$
Proceeds from Operating Activities				
Operating Revenue				
<i>Nature of Income</i>				
Parking Fees	78,153,380	19,981,459	18,848,275	(1,133,184)
Fines and Costs	10,443,348	2,811,440	2,368,156	(443,284)
Investment Income and Interest	5,157,319	1,565,849	1,244,513	(321,336)
Community Service Fees	1,677,044	455,566	407,084	(48,482)
Rubbish Collection	7,158,185	7,050,537	7,531,338	480,801
Rentals and Hire Charges	5,100,956	1,245,184	1,281,736	36,552
Recurrent Grants	1,508,499	234,251	127,475	(106,776)
Contributions, Donations and Reimbursements	452,347	106,662	128,985	22,323
Other Income	5,409,678	1,889,078.76	1,625,255.09	(263,824)
	115,060,756	35,340,027	33,562,817	(1,777,210)
Less: Operating Expenditure				
<i>Nature of Expenditure</i>				
Employee Costs	69,135,566	17,598,363	15,948,734	1,649,629
Materials and Contracts	52,838,709	11,940,033	11,097,831	842,202
Utilities	3,069,080	830,901	727,022	103,879
Depreciation and Amortisation	34,211,101	8,521,858	7,620,044	901,814
Interest Expenses	1,836,750	448,283	337,974	110,309
Insurance Expenditure	1,166,259	297,196	293,229	3,967
Expense Provisions	962,345	240,586	243,169	(2,583)
Loss on Disposal of Assets	1,558,253	389,563	207,956	181,607
Other Expenditure	24,707,761	6,654,258	6,557,642	96,616
	189,485,824	46,921,041	43,033,601	3,887,440
Add back Depreciation	(34,211,101)	(8,521,858)	(7,620,044)	(901,814)
(Loss) / Profit on Disposals	(1,558,253)	(389,563)	(207,956)	(181,607)
	153,716,470	38,009,620	35,205,601	2,804,019
Net Surplus/(Deficit) from Operations	(38,655,714)	(2,669,593)	(1,642,784)	1,026,809
Investing Activities				
Capital Expenditure	(59,612,596)	(12,135,641)	(10,784,613)	1,351,028
Repayment of Borrowings	(6,441,707)	(2,019,550)	(2,019,550)	-
Transfers to Reserves	(28,095,017)	(1,180,247)	(386,273)	793,974
	(94,149,320)	(15,335,438)	(13,190,436)	2,145,002
Financing Activities				
Transfer from Reserves	31,752,812	20,207,680	19,596,577	(611,103)
Carry Forwards	13,979,765	4,405,932	3,419,435	(986,497)
Proceeds from Disposal of Assets/Investments	1,523,000	383,879	590,224	206,345
Distribution from TPRC	1,833,333	-	-	-
Capital Grants	6,842,450	700,200	145,600	(554,600)
	55,931,360	25,697,691	23,751,836	(1,945,855)
Add: Opening Funds	1,123,643	636,302	636,302	-
Net Surplus/(Deficit) before Rates	(75,750,031)	8,328,962	9,554,919	1,225,956
Amount made up from Rates	82,692,367	80,565,810	80,379,468	(186,342)
Less: Closing Funds	6,942,336	88,894,772	89,934,387	1,039,615
Net Cash on Hand				
Cash On Hand	4,109,637	9,382,228	13,147,564	3,765,336
Money Market Investments	105,930,238	139,999,256	138,359,259	(1,639,997)
Funds on Hand	110,039,875	149,381,484	151,506,823	2,125,339
Analysis of Funds on Hand				
Reserves	85,600,968	65,536,270	65,642,399	106,129
Provisions	11,475,729	11,588,274	11,749,822	161,548
Carry forwards	-	9,573,833	18,261,923	8,688,090
General Funds	12,963,178	62,683,107	55,852,679	(6,830,427)
Funds on Hand	110,039,875	149,381,484	151,506,823	2,125,339

CURRENT POSITION AS AT THE END OF THE PERIOD

30-September-2015

	2015/16 Budget	2015/16 Budget YTD	2015/16 Actual YTD	2015/16 Variance
	\$	\$	\$	\$
Current Assets				
Cash and Cash Equivalents	4,109,637	9,382,228	13,147,564	3,765,336
Deposits and Prepayments	1,539,537	14,097,290	15,121,742	1,024,452
Money Market Investments - Municipal Funds	20,329,270	74,462,986	72,716,860	(1,746,126)
Money Market Investments - Restricted Funds	85,600,968	65,536,270	65,642,399	106,129
Trade and Other Receivables	11,535,833	31,577,614	34,016,123	2,438,509
Work in Progress	1,352,457	280,248	88,124	(192,124)
Inventories	1,385,321	755,195	1,053,432	298,237
Total Current Assets	125,853,023	196,091,831	201,786,244	5,694,413
Current Liabilities				
Trade and Other Payables	21,833,990	29,710,639	34,337,386	4,626,747
Employee Entitlements	10,750,892	11,046,136	11,053,769	7,633
Provisions	724,837	542,138	696,053	153,915
Borrowings	6,771,075	5,449,802	5,449,802	-
Total Current Liabilities	40,080,794	46,748,715	51,537,010	4,788,295
Working Capital Position Brought Forward	\$ 85,772,229	\$ 149,343,116	\$ 150,249,234	\$ 906,118
Deduct Restricted Cash Holdings	(85,600,968)	(65,536,270)	(65,642,399)	- 106,128.68
Deduct Restricted Capital Grants	-	(361,875)	(122,250)	239,625
Add Current Borrowings	6,771,075	5,449,802	5,449,802	-
Current Funds Position Brought Forward	\$ 6,942,336	\$ 88,894,772	\$ 89,934,387	\$ 1,039,615

EXPLANATORY NOTES – FINANCIAL ACTIVITY STATEMENT

BACKGROUND

- Regulation 34 of the Local Government (Financial Management) Regulations 1996 was amended effective from 1 July 2005.
- The amendment prescribes a monthly Financial Activity Statement (FAS) reporting the sources and application of funds, as set out in the Rate Setting Statement which is included in the Annual Budget.

PURPOSE

- The FAS reports the actual financial performance of the City in relation to its adopted budget, which has been structured on financial viability and sustainability principles.
- The FAS is intended to act as a guide to Council of the impact of financial activities and the reasons for major variances to the annual budget estimates.

PRESENTATION

- Regulation 34 prescribes the minimum detail to be included in the FAS. These are listed below.
 - Annual Budget estimates, and approved revisions to these, are to be included for comparison purposes.
 - Actual amounts of income and expenditure to the end of the month of the FAS.
 - Material variances between the comparable amounts and commentary on reasons for these.
 - The net current assets at the end of the month to which the FAS relates.
- An explanation of the composition of the net current assets at the end of the month to which the FAS relates; less committed and restricted assets.
- Councils are given the option of adopting a format which is considered most appropriate to their needs. These options are listed below.
 - According to nature and type classification,
 - by program, or
 - by business unit.
- It is recommended that while the information presented by cost objects (programs and activities) or by cost centres (business units) are useful for expense allocation and cost centre accountability purposes, they are less informative and difficult to comprehend in matters of disclosure and less effective in cost management and control.
- The FAS has therefore been presented in the format using nature and type classification as the most meaningful disclosure to the Council and public.

FORMAT

- The FAS is formatted to align with the Rate Setting Statement.
- The first part deals with operating income and expenditure, excluding rate revenue.
- The next classification is the amount spent on capital expenditure and debt repayments.
- The classification 'Financing Activities' provides a statement of sources of funds other than from operating or rates revenue, which are usually associated with capital expenditure.
- Attached to the FAS is a statement of 'Net Current Assets' for the budget and actual expenditure to the end of the month to which the FAS relates.
- Opening and closing funds represent the balance of 'Net Current Assets', not including any funds which are committed or restricted.
- "Committed assets" means revenue unspent but set aside under the annual budget for a specific purpose.
- "Restricted assets" means those assets the uses of which are restricted, wholly or partially, by regulations or other externally imposed requirements", e.g. reserves set aside for specific purposes.
- To avoid duplication in calculating 'Closing Funds on hand', certain balances, such as provisions and borrowings, are also deducted.
- The total Closing Funds on hand are to be taken into account when calculating the amount to be raised by rates each year.
- The classification "Net Cash on Hand" represents the balances of funds held in cash or invested and the analysis into those funds reserved, carried forward or remaining unspent at the end of the month to which the FAS relates.



CITY of PERTH

CITY of PERTH

Financial Report

For the 3 months ended 30 September 2015

**CITY OF PERTH
MUNICIPAL**

Statement of Comprehensive Income for the 3 months ended 30 September 2015

(By Program)

	<i>Note</i>	Budget 2015/2016	Revised Budget YTD	Actual YTD 30/09/2015	YTD Variance	
OPERATING REVENUE		\$	\$	\$	\$	%
General Purpose Funding Rates		83,567,338	81,217,773	81,065,232	(152,541)	-0.2%
General Purpose Funding Other		5,735,976	1,433,994	973,162	(460,832)	-32.1%
Law, Order, Public Safety		46,225	14,428	5,396	(9,032)	-62.6%
Health		864,920	695,689	536,242	(159,447)	-22.9%
Education and Welfare		2,153,539	570,236	522,589	(47,647)	-8.4%
Housing		656,190	164,048	217,140	53,092	32.4%
Community Amenities		10,294,628	7,818,733	8,267,472	448,739	5.7%
Recreation and Culture		1,859,860	241,624	250,855	9,231	3.8%
Transport		90,764,129	23,308,579	21,758,784	(1,549,795)	-6.6%
Economic Services		1,093,247	265,027	175,833	(89,194)	-33.7%
Other Property and Services		717,071	175,706	169,309	(6,397)	-3.6%
Total Operating Income		197,753,123	115,905,837	113,942,285	(1,963,552)	-1.7%
OPERATING EXPENDITURE						
Governance		11,262,129	2,923,743	2,691,080	232,663	8.0%
General Purpose Funding		3,089,672	943,184	901,025	42,159	4.5%
Law, Order, Public Safety		3,868,851	778,143	919,739	(141,596)	-18.2%
Health		1,884,897	600,488	576,117	24,371	4.1%
Education and Welfare		3,870,122	949,375	882,008	67,367	7.1%
Housing		563,144	140,786	157,478	(16,692)	-11.9%
Community Amenities		28,558,870	7,372,662	6,420,074	952,588	12.9%
Recreation and Culture		32,248,092	6,844,050	6,527,034	317,016	4.6%
Transport		85,571,552	21,219,906	20,743,419	476,487	2.2%
Economic Services		9,744,103	2,649,049	2,231,952	417,097	15.7%
Other Property and Services		7,266,137	2,110,093	775,719	1,334,374	63.2%
Total Operating Expenditure		187,927,571	46,531,478	42,825,645	3,705,833	8.0%
NET FROM OPERATIONS		9,825,552	69,374,359	71,116,640	1,742,281	2.5%
GRANTS/CONTRIBUTIONS						
For the Development of Assets						
- General Purpose Funding		80,200	80,200	-	(80,200)	-100.0%
- Recreation and Culture		3,207,250	620,000	-	-	0.0%
- Transport		3,555,000	625,000	145,600	(479,400)	-76.7%
Total Grants/Contributions		6,842,450	1,325,200	145,600	(1,179,600)	-89.0%
DISPOSAL/WRITE OFF OF ASSETS						
Gain/(Loss) on Disposal of Assets	2	(1,558,253)	(389,563)	(207,956)	181,607	-46.6%
Change in net assets resulting from operations before significant items		15,109,749	70,309,996	71,054,284	744,288	1.1%
SIGNIFICANT ITEMS						
Distribution from TPRC		1,833,333	-	-	-	0.0%
(Loss) on Disposal of Investments		-	-	(3,655)	(3,655)	0.0%
Change in net assets resulting from operations after significant items		16,943,082	70,309,996	71,050,629	740,633	1.1%

**CITY OF PERTH
MUNICIPAL**
Statement of Comprehensive Income for the 3 months ended 30 September 2015
(By Nature)

	Note	Budget 2015/2016	Revised Budget YTD	Actual YTD 30/09/2015	YTD Variance	
		\$	\$	\$	\$	%
OPERATING REVENUE						
Rates		82,692,367	80,565,810	80,379,468	(186,342)	-0.2%
Grants and Contributions for Non Capital Purposes		1,508,499	234,251	127,475	(106,776)	-45.6%
Donations and Reimbursements		452,347	106,662	128,985	22,323	20.9%
Fees and Charges		105,979,914	33,023,272	31,681,571	(1,341,701)	-4.1%
Interest and Investment Income		5,157,319	1,565,849	1,244,513	(321,336)	-20.5%
Other Revenue		1,962,676	409,993	380,274	(29,719)	-7.2%
Total Revenue from Operating Activities		197,753,122	115,905,837	113,942,285	(1,963,552)	-1.7%
OPERATING EXPENDITURE						
Employee Costs		69,135,566	17,598,363	15,948,734	1,649,629	9.4%
Materials and Contracts		52,838,709	11,940,033	11,097,831	842,202	7.1%
Utilities		3,069,080	830,901	727,022	103,879	12.5%
Depreciation and Amortisation		34,211,101	8,521,858	7,620,044	901,814	10.6%
Interest		1,836,750	448,283	337,974	110,309	24.6%
Insurance		1,166,259	297,196	293,229	3,967	1.3%
Expenses Provision		962,345	240,586	243,169	(2,583)	-1.1%
Other Expenses from Ordinary Activities		24,707,761	6,654,258	6,557,642	96,616	1.5%
Total Expenses from Ordinary Activities		187,927,571	46,531,478	42,825,645	3,705,833	8.0%
Change in Net Assets from Ordinary Activities before Capital Amounts		9,825,551	69,374,359	71,116,640	1,742,280	2.5%
GRANTS/CONTRIBUTIONS						
Grants and Contributions- Capital		6,842,450	1,325,200	145,600	(1,179,600)	-89.0%
NET OPERATING SURPLUS		16,668,002	70,699,559	71,262,240	562,681	0.8%
DISPOSAL/WRITE OFF OF ASSETS	2	(1,558,253)	(389,563)	(207,956)	181,607	-46.6%
SIGNIFICANT ITEMS						
Distribution from TPRC		1,833,333	-	-	-	0.0%
(Loss) on Disposal of Investments		-	-	(3,655)	(3,655)	0.0%
<i>Change in net assets resulting from operations after capital amounts and significant items</i>		16,943,082	70,309,996	71,050,629	740,633	1.1%

**CITY OF PERTH
MUNICIPAL**

Statement of Financial Position as at 30 September 2015

	Note	30/09/2015	30/06/2015
CURRENT ASSETS			
		\$	\$
Cash and Cash Equivalents	11	13,147,564	21,164,777
Deposits/Prepayments	4	15,121,742	1,339,244
Investments	3, 11	138,359,259	91,045,389
Trade and Other Receivables	5	14,537,607	8,355,249
Rates Receivable	1	19,478,516	64,096
Inventories		1,141,556	1,394,201
TOTAL CURRENT ASSETS		201,786,244	123,362,956
NON CURRENT ASSETS			
Investments	3	6,686,271	7,110,313
Trade and Other Receivables	5	34,457	39,567
Property, Plant and Equipment	8	656,094,290	659,937,053
Infrastructure	8	476,979,997	480,607,504
Capital Work in Progress	8	82,642,818	69,215,093
TOTAL NON CURRENT ASSETS		1,222,437,833	1,216,909,530
TOTAL ASSETS		1,424,224,077	1,340,272,486
CURRENT LIABILITIES			
Trade and Other Payables	6	34,337,386	19,155,304
Employee Benefits	7	11,053,769	11,405,126
Provisions	7	696,053	703,725
Loan Liability	9	5,449,802	6,441,709
TOTAL CURRENT LIABILITIES		51,537,010	37,705,864
NON CURRENT LIABILITIES			
Employee Benefits	7	1,891,737	1,891,737
Provisions	7	3,967,122	3,869,667
Loan Liability	9	35,299,359	36,327,002
TOTAL NON CURRENT LIABILITIES		41,158,218	42,088,406
TOTAL LIABILITIES		92,695,228	79,794,270
NET ASSETS		\$1,331,528,849	\$1,260,478,216
EQUITY			
Accumulated Surplus		702,369,556	612,108,619
Asset Revaluation Reserve	10	560,795,095	560,795,095
Reserves	10	68,364,198	87,574,502
TOTAL EQUITY		\$1,331,528,849	\$1,260,478,216

**CITY OF PERTH
MUNICIPAL**

Statement of Changes in Equity for the 3 months ended 30 September 2015

	Accumulated Surplus	Asset Revaluation Reserve	Cash Backed Reserves	Total Equity
	\$	\$	\$	\$
Balance at 1 July 2014	587,289,902	372,942,447	85,605,577	1,045,837,926
Change in net assets resulting from operations	214,640,281	-	-	214,640,281
Transfer to Cash Backed Reserves	(25,386,259)	-	25,386,259	-
Transfers to Asset Revaluation Reserve	(189,027,761)	189,027,761	-	-
Transfers from Asset Revaluation Reserve	1,175,113	(1,175,113)	-	-
Transfer from Cash Backed Reserves	23,417,340	-	(23,417,340)	-
Balance at 30 June 2015	\$612,108,615	\$560,795,095	\$87,574,496	\$1,260,478,207
Balance at 1 July 2015	\$	\$	\$	\$
Change in net assets resulting from operations	612,108,615	560,795,095	87,574,496	1,260,478,206
Transfer to Cash Backed Reserves	71,050,629	-	-	71,050,629
Transfers to Asset Revaluation Reserve	(386,273)	-	386,273	-
Transfers from Asset Revaluation Reserve	-	-	-	-
Transfer from Cash Backed Reserves	19,596,577	-	(19,596,577)	-
Balance at the end of the reporting period	\$702,369,547	\$560,795,095	\$68,364,193	\$1,331,528,835

**CITY OF PERTH
MUNICIPAL**

Statement of Cash Flows for the 3 months ended 30 September 2015

	Note	Budget 2015/2016	YTD Actual 30/09/2015	YTD Variation	
		\$	\$	\$	%
Cash Flows from Operating Activities					
Receipts					
Rates		82,681,333	55,554,014	(27,127,319)	-32.8%
Fees and Charges		104,237,072	31,061,723	(73,175,349)	-70.2%
Interest		5,009,468	1,079,611	(3,929,857)	-78.4%
Other		5,485,536	436,228	(5,049,308)	-92.0%
		197,413,411	88,131,576	(109,281,835)	-55.4%
Payments					
Employee Costs		(68,531,216)	(15,640,235)	52,890,981	77.2%
Materials and Contracts		(50,557,095)	(13,148,006)	37,409,089	74.0%
Interest		(1,686,749)	(455,239)	1,231,510	73.0%
Other		(24,363,418)	(7,723,607)	16,639,811	68.3%
		(145,138,478)	(36,967,087)	108,171,391	74.5%
Net Cash Flows from Operating Activities	12	52,274,932	51,164,489	(1,110,443)	2.1%
Cash Flows from Investing Activities					
Receipts					
Distribution from TPRC		1,833,333	-	(1,833,333)	-100.0%
Proceeds from Disposal of Assets		1,523,000	169,837	(1,353,163)	-88.8%
Proceeds from Disposal of Investments(Non Current)		-	420,387	420,387	0.0%
Payments					
Purchase Land and Buildings		(13,036,542)	-	13,036,542	-100.0%
Purchase Infrastructure Assets		(37,840,203)	(226,074)	37,614,129	-99.4%
Purchase Plant and Mobile Equipment		(3,347,436)	(301,493)	3,045,943	91.0%
Purchase Office Furniture and Equipment		(561,648)	-	561,648	-100.0%
Work in Progress		-	(10,257,046)	(10,257,046)	0.0%
		(54,785,829)	(10,784,613)	44,001,216	80.3%
Net Cash Flows from Investing Activities		(51,429,496)	(10,194,389)	41,235,107	80.2%
Cash Flows from Financing Activities					
Repayment of Borrowings		(6,441,707)	(2,019,550)	4,422,157	68.6%
		(6,441,707)	(2,019,550)	4,422,157	68.6%
Cash Flows from Government and Other Parties					
Receipts from Appropriations/Grants					
Recurrent		1,760,075	200,506	(1,559,569)	-88.6%
Capital		6,842,450	145,600	(6,696,850)	-97.9%
		8,602,525	346,106	(8,256,419)	-96.0%
Net Increase (Decrease) in Cash Held		3,006,254	39,296,656	36,290,402	1207.2%
Cash at 1 July 2015		107,033,620	112,210,166	5,176,546	4.8%
Cash at 30 September 2015	11	110,039,874	151,506,823	41,466,949	37.7%

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Notes to the Balance Sheet for the 3 months ended 30 September 2015

1 Rates Receivable

	Actual YTD 30/09/2015	2014/15 YTD 30/09/2014
	\$	\$
Outstanding Amount at 30 June 2015	64,096	52,088
Rates Levied for the Year	80,439,829	75,600,384
Late Payment Penalties	66,242	40,936
Ex Gratia Rates	17,464	10,283
Rates Administration Fee	263,588	255,781
Rates Instalment Interest	340,531	317,472
Back Rates	(77,825)	(164,857)
Bins Levy	453,501	204,493
	81,567,426	76,316,580
Amount Received during the Period	62,088,910	56,337,317
Outstanding Amount at 30 September 2015	\$19,478,516	\$19,979,263

2 Gain/(Loss) on Disposal/Write off of Assets

	Annual Budget	Actual YTD 30/09/2015
Infrastructure		
Proceeds on Disposal	-	-
Less: Carrying amount of assets written off	1,721,201	206,201
(Loss) on Write Off	(1,721,201)	(206,201)
Plant and Mobile Equipment		
Proceeds on Disposal	1,523,000	169,183
Less: Carrying amount of assets sold/written off	1,360,052	171,592
Profit/(Loss) on Disposal/Write Off	162,948	(2,409)
Furniture and Equipment		
Proceeds on Disposal	-	654
Less: Carrying amount of assets sold /written off	-	-
(Loss) on Disposal/Write Off	-	654
Gain/(Loss) on Disposal/Write off of Assets	(\$1,558,253)	(\$207,956)

3 Investments

Current	30/09/2015	30/06/2015
Short Term Cash Investments *	\$	\$
Call Funds	5,009,727	23,629
Bank/Term Deposits	129,500,000	83,900,000
Managed Funds	3,849,532	4,118,105
Floating Rate Notes (FRN)	-	3,003,655
Total Current Investments	\$138,359,259	\$91,045,389

* Short Term Cash Investments as stated in Note 11.

Non Current Investments	30/09/2015	30/06/2015
	\$	\$
Mortgage Backed Securities (MBS)	2,721,799	2,766,406
	2,721,799	2,766,406
Equity in Local Government House	10,000	10,000
Equity in Mindarie Regional Council	398,074	398,074
Equity in Tamala Park Regional Council	3,556,398	3,935,833
	\$6,686,271	\$7,110,313

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Notes to the Balance Sheet for the 3 months ended 30 September 2015

4 Deposits/Prepayments

	30/09/2015	30/06/2015
	\$	\$
Prepaid Insurance	711,065	-
Prepaid Parking Bay Licence Fees	12,839,891	91,560
Other	1,570,786	1,247,684
	\$15,121,742	\$1,339,244

5 Trade And Other Receivables

	30/09/2015	30/06/2015
Current	\$	\$
Emergency Services Levy (ESL)	5,951,768	63,463
Accrued Interest and Investment Income	765,199	600,296
Accrued Income	1,435,602	1,251,900
Modified Penalties/Fines and Costs	7,291,196	7,156,124
Debtors - General		
Australian Taxation Office - GST Refundable	296,222	479,963
Works and Services	229,504	156,225
Other Debtors	1,640,846	1,701,472
	17,610,337	11,409,443
Less: Provision for Doubtful Debts	(3,072,730)	(3,054,194)
	\$14,537,607	\$8,355,249
Non Current		
Pensioners' Rates Deferred	34,457	39,567
	\$34,457	\$39,567

6 Trade And Other Payables

	30/09/2015	30/06/2015
Current	\$	\$
Trade Creditors	4,645,462	13,260,443
Emergency Services Levy	16,825,102	-
Interest Payable on Loans	123,750	241,015
Accrued Expenses - Operating	6,554,857	2,617,565
Accrued Expenses - Capital	3,531,007	360,328
Advances Received for Recoverable Works	51,964	77,424
Income Received / Raised in Advance	704,879	871,600
Other Creditors	1,900,365	1,726,929
	\$34,337,386	\$19,155,304

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Notes to the Balance Sheet for the 3 months ended 30 September 2015

7 Employee Benefits

	30/09/2015	30/06/2015
Current		
Leave Entitlements	\$	\$
Annual Leave	4,693,153	4,795,260
Self Funded Leave	239,830	270,891
Long Service Leave	5,978,245	6,189,337
Recognition of Employees- Presentations	142,541	149,638
	\$11,053,769	\$11,405,126
Non Current		
Annual Leave	838,090	838,090
Long Service Leave	1,053,647	1,053,647
	\$1,891,737	\$1,891,737

Provisions

	30/09/2015	30/06/2015
Current	\$	\$
Workers Compensation	696,053	703,725
	\$696,053	\$703,725
Non Current		
Provision for Equipment Replacement PCEC	3,967,122	3,869,667
	\$3,967,122	\$3,869,667

8 Property, Plant and Equipment and Work in Progress

	30/09/2015	30/06/2015
	\$	\$
Land and Air Rights - at cost/fair value	380,366,193	380,366,194
Less: Accumulated Depreciation	(2,712,144)	(2,570,139)
	377,654,049	377,796,055
Buildings/Freehold - at fair value	379,893,678	379,893,679
Less: Accumulated Depreciation	(148,063,517)	(146,015,858)
	231,830,161	233,877,821
Improvements - at fair value	8,010,840	8,010,841
Less: Accumulated Depreciation	(4,634,354)	(4,564,395)
	3,376,486	3,446,446
Infrastructure Assets - at cost/fair value	741,165,273	741,999,706
Less: Accumulated Depreciation	(264,185,276)	(261,392,201)
	476,979,997	480,607,505
Plant and Mobile Equipment - at cost/fair value	45,506,157	45,505,811
Less: Accumulated Depreciation	(26,384,646)	(25,351,476)
	19,121,511	20,154,335
Office Furniture and Equipment - at cost/fair value	36,740,437	36,740,437
Less: Accumulated Depreciation	(13,423,625)	(12,873,309)
	23,316,812	23,867,128
Agricultural - at cost	795,271	795,271
Less: Accumulated Depreciation	-	-
	795,271	795,271
Property, Plant and Equipment	1,133,074,287	1,140,544,561
Work in Progress - at cost	82,642,818	69,215,093
	82,642,818	69,215,093
Total Property, Plant and Equipment and Work in Progress	\$1,215,717,105	\$1,209,759,650

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Notes to the Balance Sheet for the 3 months ended 30 September 2015

8 Property, Plant and Equipment and Work in Progress - Movement at Cost

	Balance 30/06/2015	Acquisitions Actual YTD 30/09/2015	Transfers Actual YTD 30/09/2015	Disposals/ Write off/ Actual YTD 30/09/2015	Revaluation Actual YTD 30/09/2015	Balance 30/09/2015
	\$	\$	\$	\$		\$
Land and Air Rights	380,366,194	-	-	-	-	380,366,194
Buildings	379,893,679	-	-	-	-	379,893,679
Improvements	8,010,841	-	-	-	-	8,010,841
Infrastructure Assets	741,999,706	226,074	-	(1,060,506)	-	741,165,274
Plant and Mobile Equipment	45,505,811	301,493	-	(301,147)	-	45,506,157
Office Furniture and Equipment	36,740,437	-	-	-	-	36,740,437
Agricultural	795,271	-	-	-	-	795,271
Work in Progress	69,215,093	13,427,725	-	-	-	82,642,818
	\$1,662,527,032	\$13,955,292	-	(\$1,361,653)	-	\$1,675,120,671

9 Loan Liability

	30/09/2015	30/06/2015
Current	\$	\$
Loans - Western Australian Treasury Corporation	5,449,802	6,441,709
Non Current		
Loans - Western Australian Treasury Corporation	35,299,359	36,327,002

10 Reserve Funds

Purpose of Reserve Fund	Balance 30/06/2015	Transfer from Accumulated Surplus	Transfer to Accumulated Surplus	Balance 30/09/2015
	\$	\$	\$	\$
Refuse Disposal and Treatment	2,843,524	16,768	-	2,860,292
Concert Hall - Refurbishment and Maint.	4,826,518	20,011	(19,000)	4,827,529
Asset Enhancement	29,008,935	119,595	(2,460,011)	26,668,519
Community Recreation Centres/Facilities	-	-	-	-
Street Furniture Replacement	540,334	2,241	-	542,575
Parking Levy	17,132,501	498	(17,012,592)	120,407
Art Acquisition	315,397	1,010	-	316,407
Heritage Incentive	587,371	5,603	-	592,974
Parking Facilities Development	23,952,738	99,250	(104,974)	23,947,014
Employee Entitlements	1,053,647	4,463	-	1,058,110
David Jones Bridge	277,223	1,156	-	278,379
Bonus Plot Ratio	595,996	2,473	-	598,469
PCEC Fixed Plant Replacement	3,869,667	97,455	-	3,967,122
Enterprise and Initiative	2,570,651	15,750	-	2,586,395
	87,574,502	386,273	(19,596,577)	68,364,192
* Asset Revaluation	560,795,095	-	-	560,795,095
	\$648,369,597	\$386,273	(\$19,596,577)	\$629,159,287

* The Asset Revaluation Reserve is a non cash backed reserve and cannot be used ,except for adjustments to fixed assets on their revaluation, disposal or write off

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Notes to the Balance Sheet for the 3 months ended 30 September 2015

11 Cash Reconciliation

	30/09/2015	30/06/2015
	\$	\$
Cash and Cash Equivalents	13,147,564	21,164,777
Short Term Cash Investments	138,359,259	91,045,389
	\$151,506,823	\$112,210,166

12 Reconciliation of Net Cash Provided By Operating Activities to Operating Surplus

	30/09/2015	30/06/2015
	\$	\$
Change in Net Assets Resulting from Operations	71,054,284	18,136,854
Adjustment for items not involving the movement of Funds:		
Depreciation	7,620,044	29,115,795
Doubtful Debts	18,536	267,593
(Gain)/Loss on Disposal/Write off/Contribution of Assets	207,956	2,584,345
	78,900,820	50,104,587
Revenues Provided By :		
Government Grants	(346,106)	(4,039,166)
Contribution from Other Parties	-	(15,000)
	(346,106)	(4,054,166)
Change in Operating Assets and Liabilities		
Add Back		
Decrease in Inventories	252,645	713,171
Decrease in Deposits and Prepayments	-	81,566
Decrease in Accrued Interest and Dividend Income	-	749,725
Decrease in Debtors	-	1,650,216
Decrease in Deferred Debtors	5,110	4,638
Decrease in Accrued Income	-	-
Increase in Income Received /Raised in Advance	-	21,429
Increase in Accrued Interest Payable	-	-
Increase in Accrued Expenses	3,937,292	-
Increase in Provisions	-	1,084,280
Increase in Trade and Other Payables	8,383,557	-
Deduct		
Decrease in Trade and Other Payables	-	(836,489)
Decrease in Income Received /Raised in Advance	(192,181)	-
Decrease in Accrued Interest Payable	(117,265)	(43,792)
Decrease in Provisions	(261,574)	-
Decrease in Accrued Expenses	-	(201,269)
Increase in Inventories	-	-
Increase in Trade and Other Receivables	(25,266,710)	-
Increase in Prepayments	(13,782,498)	-
Increase in Accrued Income	(183,702)	(420,854)
Increase in Accrued Interest and Investment Income	(164,902)	-
	(27,390,228)	2,802,621
Net Cash Provided by Operating Activities	\$51,164,489	\$48,853,042

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Notes to the Balance Sheet for the 3 months ended 30 September 2015

13 Ratios

	30/09/2015	30/06/2015
1 Current Ratio		
<u>Current Assets minus Restricted Assets</u>		
Current Liabilities minus Liabilities associated with Restricted Assets	2.64	1.02
2 Debt Ratio		
<u>Total Liabilities</u>		
Total Assets	6.51%	5.95%
3 Debt Service Ratio		
<u>Debt Service Cost</u>		
Available Operating Revenue	2.22%	4.48%
4 Rate Coverage Ratio		
<u>Net Rate Revenue</u>		
Operating Revenue	71.15%	40.92%
5 Outstanding Rates Ratio		
<u>Rates Outstanding</u>		
Rates Collectable	23.88%	0.08%
6 Untied Cash to Unpaid Creditors Ratio		
<u>Untied Cash</u>		
Unpaid Trade Creditors	18.46	2.07
7 Gross Debt to Revenue Ratio		
<u>Gross Debt</u>		
Total Revenue	35.76%	22.93%
8 Gross Debt to Economically Realisable Assets Ratio		
<u>Gross Debt</u>		
Economically Realisable Assets	4.30%	4.98%

Restricted Assets includes reserve funds and tied contributions not utilised at 30.09.2015

CITY OF PERTH

FAS GRAPHS

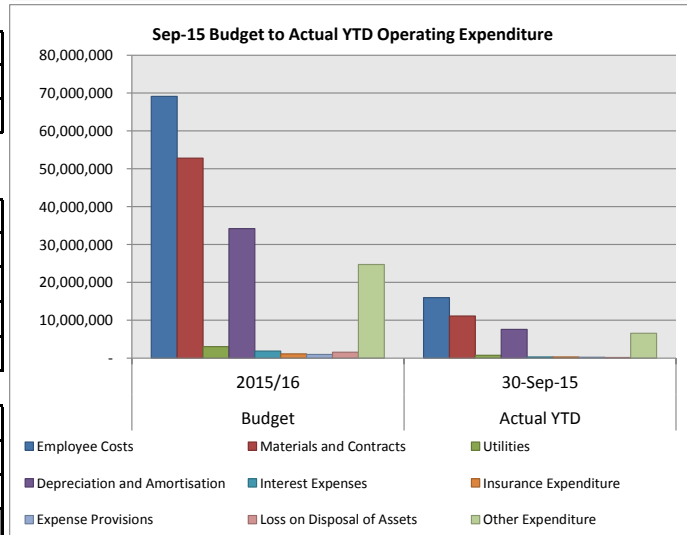
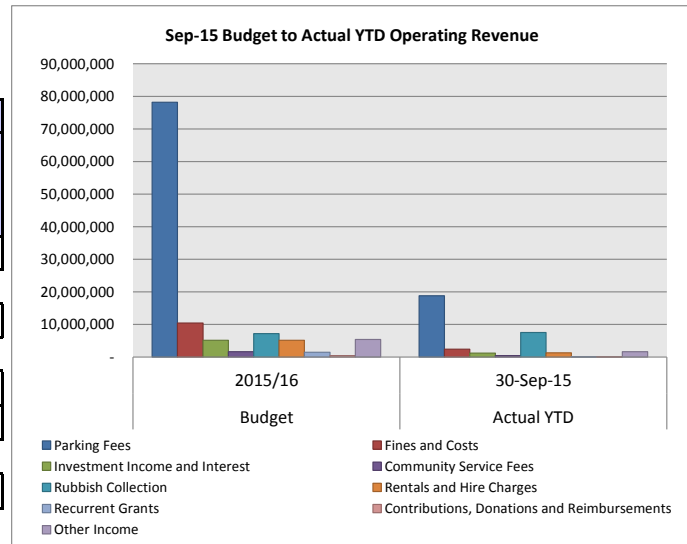
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Financial Activity Statement

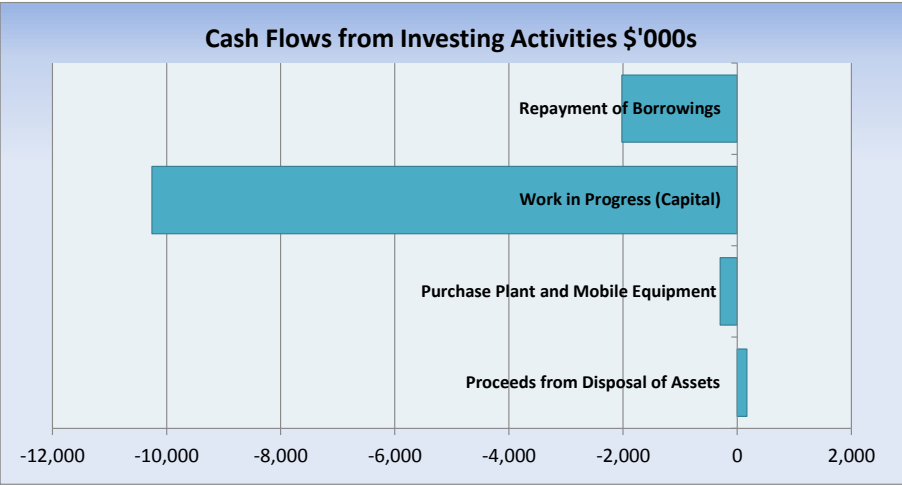
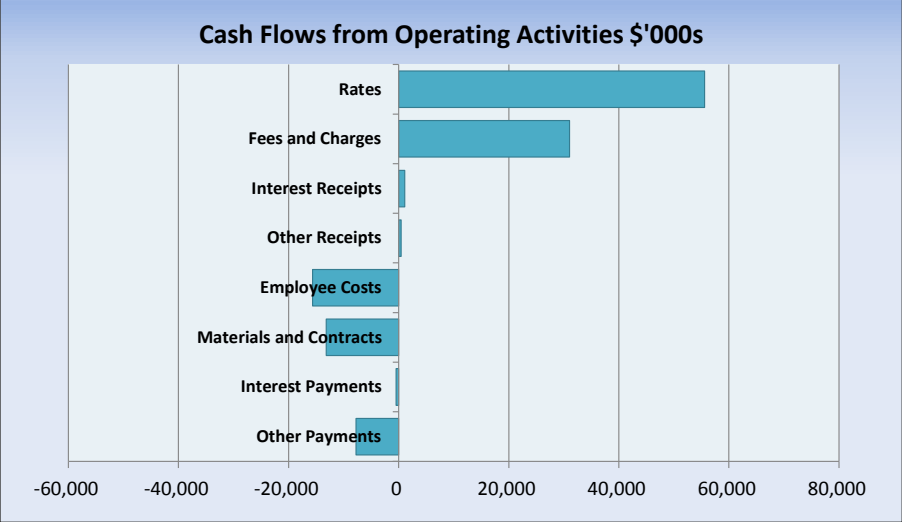
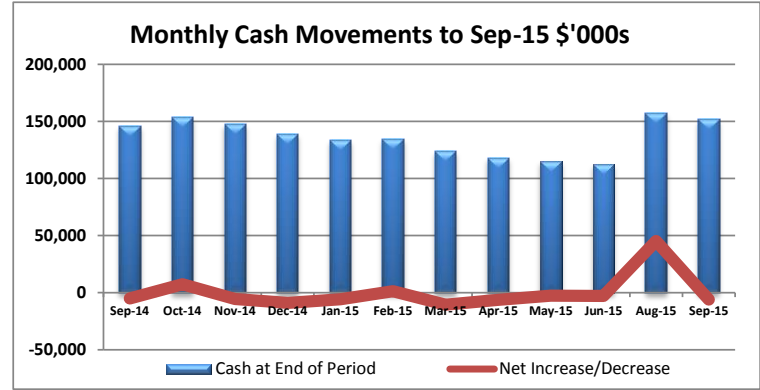
	Annual	Year To Date Sep-15		
	Budget 2015/16 \$000s	Budget YTD \$000s	Actual \$000s	Variance \$000s
Proceeds from Operating Activities				
Operating Revenue	115,061	35,340	33,563	-1,777
Less: Operating Expenditure	189,486	46,921	43,034	3,887
Add back Depreciation	-34,211	-8,522	-7,620	-902
(Loss)/Profit on Disposals	-1,558	-390	-208	-182
Net Surplus/(Deficit) from Operations	-38,656	-2,670	-1,643	1,027
Investing Activities				
Capital Expenditure	-59,613	-12,136	-10,785	1,351
Repayment of Borrowings	-6,442	-2,020	-2,020	0
Transfers to Reserves	-28,095	-1,180	-386	794
Financing Activities				
Transfers from Reserves	31,753	20,208	19,597	-611
Carry Forwards	13,980	4,406	3,419	-987
Proceeds from Disposal of Assets	1,523	384	590	206
Distribution from TPRC	1,833	0	0	0
Capital Grants	6,842	700	146	-554
Net Surplus/(Deficit) before Rates	-75,750	8,329	9,555	1,226
Add: Opening Funds	1,124	636	636	0
Less: Closing Funds	6,942	88,895	89,934	1,040
Amount Sourced from Rates	82,692	80,566	80,379	-186



Cash

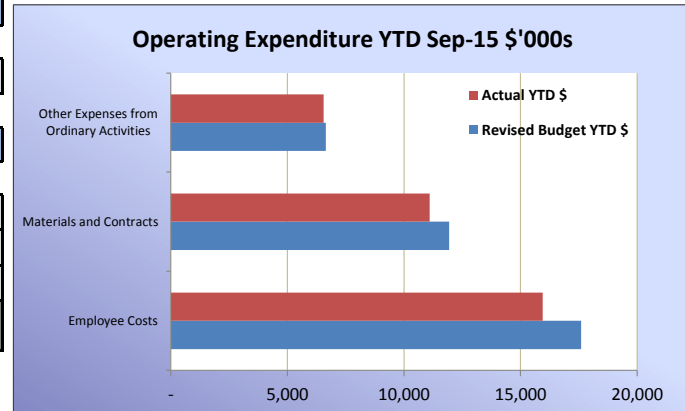
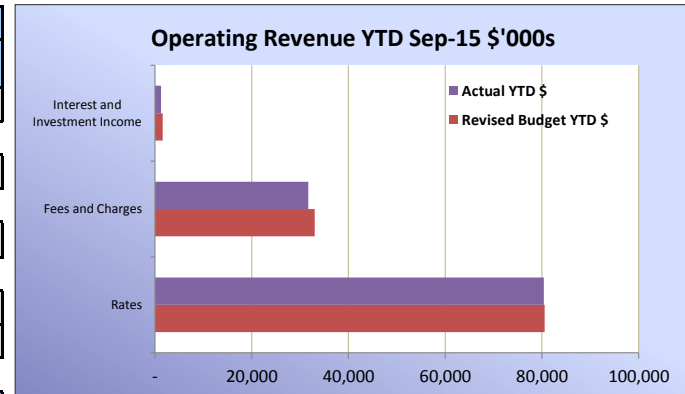
SUMMARY CASH FLOW STATEMENT

	Budget \$'000s 2015/2016	YTD Actual \$'000s Sep-15
Receipts from Customers	197,413	88,132
Payments to Suppliers and Creditors	-145,138	-36,967
Net Cash Inflow/Outflow from Operating Activities	52,275	51,165
Net Cash Inflow/Outflow from Investing Activities	-51,429	-10,194
Net Cash Inflow/Outflow from Financing Activities	-6,442	-2,020
Cash Flows from Government and Other Parties	8,603	346
Cash at 1 July 2015	107,034	112,210
Net Increase (Decrease) in Cash Held	3,006	39,297
Cash at 30 September 2015	110,040	151,507



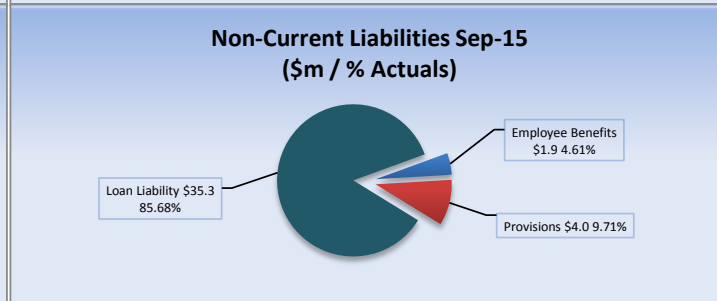
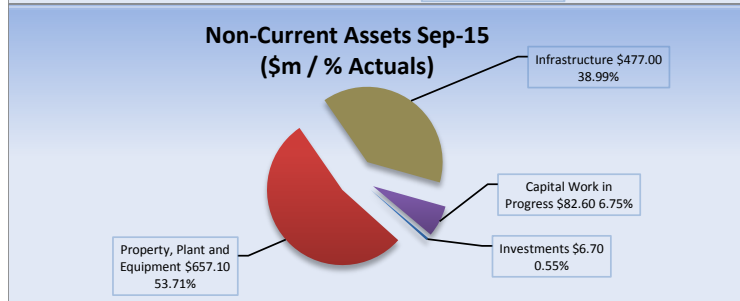
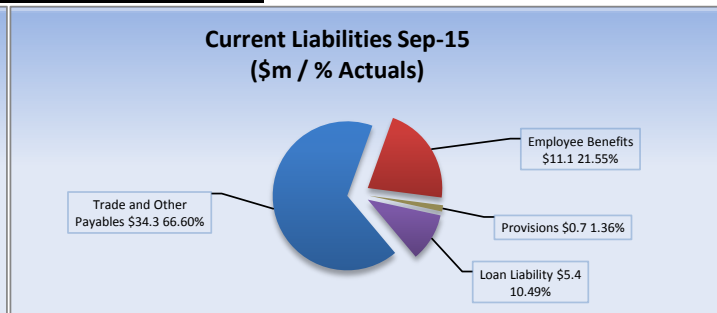
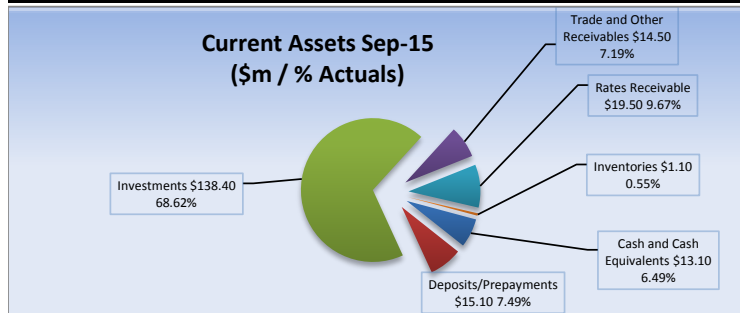
Summary Operating Statement

	2015/2016	Year To Date		
	Original Budget \$000	Revised Budget \$000s	Actual \$000s	Variance \$000s
Operating Revenue	197,753	115,906	113,942	-1,964
less Operating Expenses	-151,880	-37,561	-34,868	2,693
Earnings before Interest and Depreciation (EBID)	45,873	78,345	79,074	729
less Interest Expense	-1,837	-448	-338	110
less Depreciation	-34,211	-8,522	-7,620	902
Operating Surplus/(Deficit)	9,825	69,375	71,116	1,741
Grants and Contributions- Capital	6,842	1,325	146	-1,180
NET OPERATING SURPLUS	16,667	70,700	71,262	562
DISPOSAL/WRITE OFF OF ASSETS	-1,558	-390	-208	182
Distribution from TPRC	1,833	0	0	0
(Loss) on Disposal of Investments	0	0	-4	-4
Change in net assets resulting from operations after capital amounts and significant items	16,943	70,310	71,051	741



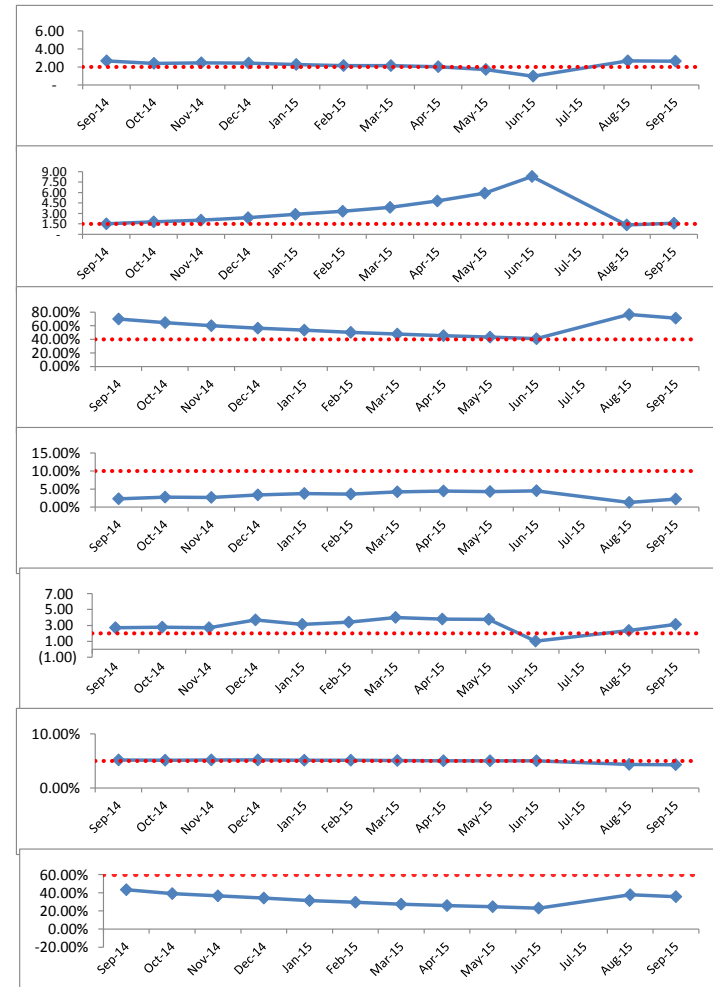
Summary Statement of Financial Position

	30-Sep-15	30-Jun-15
	Actual \$000s	Actual \$000s
Total Current Assets	201,786	123,363
Total Non Current Assets	1,222,438	1,216,910
TOTAL ASSETS	1,424,224	1,340,273
Total Current Liabilities	51,537	37,706
Total Non Current Liabilities	41,158	42,088
TOTAL LIABILITIES	92,695	79,794
NET ASSETS	1,331,529	1,260,478
COMMUNITY EQUITY		
Accumulated Surplus	702,370	612,109
Asset Revaluation Reserve	560,795	560,795
Reserves (Cash Backed)	68,364	87,575
TOTAL EQUITY	1,331,529	1,260,478



Ratio Analysis

	Sep-15
Current Ratio (Current Assets minus Restricted Assets/Current Liabilities minus Liabilities associated with Restricted Assets)	2.64
Ability to generate working capital to meet our commitments	
Target is greater than 2.00	
Operating Surplus Ratio (Revenue YTD/Operating Surplus YTD)	1.60
Ability to fund capital and exceptional expenditure	
Target is greater than 1.5	
Rate Coverage Ratio (Net Rate Revenue/Operating Revenue)	71.15%
Ability to reduce rates to ratepayers	
Target is less than 40.00% - The percentage will diminish as the bulk of the rates are raised in July	
Debt Service Ratio (Interest and principal repayments/Available Operating Revenue)	2.22%
Ability to service loans including principal and interest	
Target is less than 10.0%	
Cash Capacity in Months (Cash < 90 days invest / (Cash Operating Costs divided by 3 months)	3.13
Ability to manage cashflow	
Target is greater than 2.0 months	
Gross Debt to Economically Realisable Assets Ratio (Gross Debt / Economically Realisable Assets)	4.30%
Ability to retire debt from readily realisable assets	
Target is greater than 5.0%	
Gross Debt to Revenue Ratio (Gross Debt / Total Revenue)	35.76%
Ability to service debt out of total revenue	
Target is less than 60.0%	





The Lord Mayor of Perth,
 Lisa Scaffidi
 27 St Georges Terrace,
 Perth WA 6000
 Australia.

9th June 2015

Dear Lord Mayor,

Commonwealth Walkway Perth

We were delighted to hear that The Council agreed on 17th March to work with us towards completing a Commonwealth Walkway in Perth. Over the last couple of months we have been busy setting up the system for rolling out the Walkways internationally and we pleased to now be able to write with more details. We are mindful that there is interest locally to recognise the moment in early September that Her Majesty The Queen becomes the longest reigning British monarch. Perhaps the Walkway could be considered an appropriate part of the planned celebrations?

The Commonwealth Walkway in Perth promises to be one of the first in our plan to establish Walkways in all the main cities of the Commonwealth nations and territories and inspire a generation outdoors to enjoy them. Our focus is on attracting young people especially - a third of the world's population lives in The Commonwealth, 60% of whom are under 30 years old and 37% are not active enough to benefit their health. Walkways achieve several goals:

- They heighten interest and awareness in the cities, their history and their architecture.
- They get people walking which is good for their health.
- They serve to link the whole Commonwealth together.
- They celebrate The Queen as Head of the Commonwealth for over 63 years in a subtle way.

As we explained, we have achieved city walkways before and understand how to design and promote popular walks. We were formerly the Jubilee Walkway Trust and the Jubilee Walkway was the first urban trail in the world, connecting many of London's key attractions and is a permanent memorial to The Queen's Silver Jubilee unveiled by Her Majesty on 9 June 1977. In time this succeeded in opening up the south bank of the Thames, now a vibrant part of London. In 2012 we further created the Jubilee Greenway, a 60km route linking the various Olympic Games venues to celebrate the Diamond Jubilee. The Queen opened this outside Buckingham Palace on 29th February 2012. More than 3 million people enjoy these routes annually and millions more benefit from the 50 interpretive panels which are installed at key points along the way. In 2015 we will complete a new route in Windsor – to be called The Queen's Walkway to mark 9 September this year when Her Majesty becomes our longest reigning monarch.

TRUSTEES: Hugo Vickers DL, Kathleen Quigley, Jennifer Knight.
 Registered Company 8140120 Registered Charity 1148702

The Outdoor Trust 24 Moored Road, Cheltenham, Gloucestershire GL530HD United Kingdom

A Commonwealth Walkway is made up for 3 components:

1. **Bronze Markers** – installed in the ground to identify each point of Commonwealth Significance.
2. **Mobile App** – accessible interpretive information on a legible map.
3. **An Interpretive panel** - at a gateway location.

The Markers

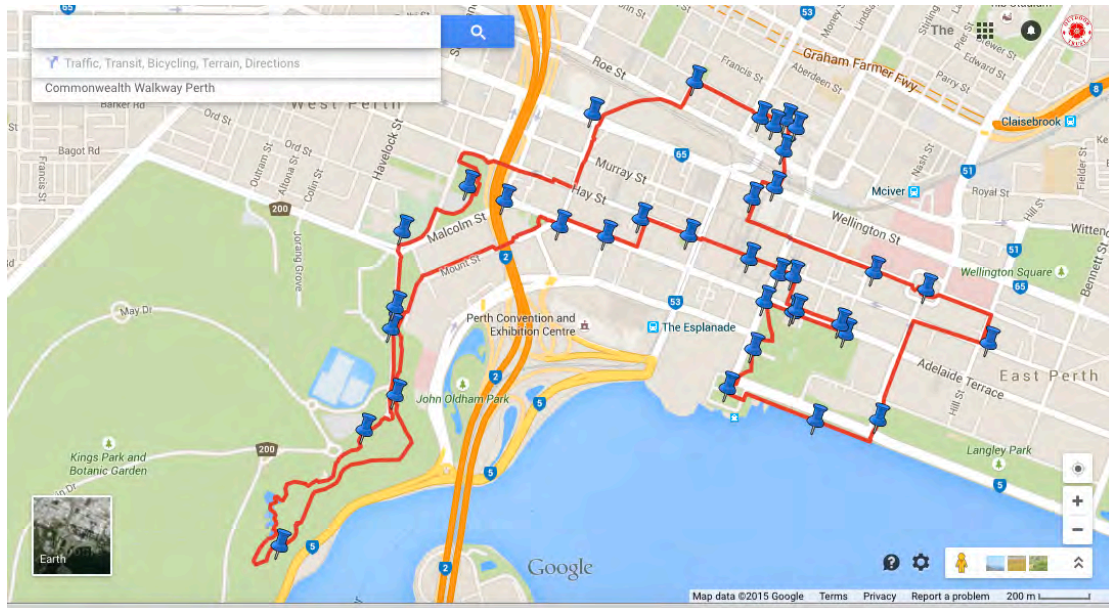
Her Majesty The Queen has given us permission to use her EIIR cypher to promote these paths throughout the 71 nations and territories. The markers, like the one we presented to you, are to be used to identify all of the most significant Commonwealth points of interest.

Following our exploration of the City we have drafted a Walkway in Perth for your consideration that is 11.8km and takes approximately 3 hours to complete. The Walkway connects 36 points of Commonwealth Significance starting at Government House and includes:

01 Government House	19 Perth Arena
02 City Hall	20 Parliament House
03 Forrester Statue	21 National Trust
04 Supreme Court of Western Australia	22 Botanical Gardens
05 The Bell Tower and Elizabeth Quay	23 Queen Victoria Statue
06 The Swan River	24 Kaarta Gar-up Lookout
07 Langley Park	25 Federation Walkway
08 Royal Mint	26 Court of Contemplation
09 St Mary's Cathedral	27 Barracks Arch
10 Perth Fire Station Museum	28 Forrest House Replica
11 Forrester Place	29 The Cloisters
12 Perth Central Railway Station	30 His Majesty's Theatre
13 Art Gallery of Western Australia	31 Wesley Church
14 Western Australia Museum	32 London Court
15 State Library of Western Australia	33 Town Hall
16 Perth Institute of Contemporary Art	34 The Treasury
17 State Theater Centre of WA	35 Saint George's Cathedral
18 Northbridge Arch	36 Anzac House

A map of the draft route is below for your consideration and can also be viewed online. We have photos separately of where we propose the markers would be installed.

<https://www.google.com/maps/d/edit?mid=zch9CmsXJiGo.k5WmYSQD27tk&usp=sharing>



The Mobile App

The Trust is currently in a contract discussion with a company to deliver the Commonwealth Walks mobile app. We are not in a position to confirm these details yet but it is very likely that we will be using the existing popular app GPSmyCity platform.

<http://www.gpsmycity.com>

<https://itunes.apple.com/gb/app/city-maps-walks-470+-cities/id417207307?mt=8>

https://play.google.com/store/apps/developer?id=GPSmyCity.com,+Inc.&hl=en_GB

Each point of interest is likely to therefore require around 150 words and a picture. The Trust plans that, where possible, the international (especially Commonwealth) and Royal Family associations are made to maintain the theme of the overall mission.

The Interpretive Panel

At a key gateway to each Commonwealth Walkway the Trust plans to install a zinc etched interpretive panel in a set three part style. The first part will share the principles and values of The Commonwealth (we have some text agreed by The Commonwealth Secretariat); acknowledge the partnership locally, with The Outdoor Trust, relevant international organizations and sponsors. The second part will illustrate the route on a map; provide some interpretation of a particular viewpoint; and identify up to 5 highlight features. The third section will briefly explain the history of the City and its significance to The Commonwealth.

There are several options for its placement in our opinion including outside Government House; in the popular Forrester Place; overlooking the City outside Parliament House; at the CHOGM - Kaarta Gar-up Lookout in Kings Park; or perhaps somewhere in the new Elizabeth Quay development?

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The Outdoor Trust 24 Moored Road, Cheltenham, Gloucestershire GL530HD United Kingdom

Though not such a busy spot at the moment for visitors, our preferred location is outside Parliament near the flagpoles. It is a strategic part of the City, with a good view, and would help further connect government to residents and visitors. The panel proposed would be 1630mm x 400mm in a metal frame which could either be mounted on a railing or free standing on a 3 legged lectern.



Budget

We do not assume that there is a budget locally to complete the Walkway but provide the costs associated with its completion for information:

A. Bronze Markers - The Trust is hoping to supply the Gunmetal (AB1 Bronze) markers for free, subject to securing a sponsor. Each weighs 4.75kg; 290mm diameter, 8mm thick, embossed with The Queen's personal Royal cypher and has been slip tested. Some cities have offered to pay for these in advance of a sponsor being found. The item cost, for information, is £317 (x35 = £11,095).

B. Mobile App – There is no charge for the Perth information to appear on the Trust's Commonwealth Walks mobile app.

C. Interpretive Panel – The Trust is hoping to supply the panel for free, subject to securing a sponsor. The artwork for the panel in Perth, for information, will cost £3,000 and panel production and frame a further £6,500.

D. Freight – Shipping of the markers and panel to Perth is estimated to cost in the region of £1,500.

E. Trust Costs – Until a sponsor is secured for the Trust there is a charge of 15% as a contribution towards our core costs, if the City wishes to proceed with funding their own Commonwealth Walkway. Based on the sub total of £22,095 (15% = £3,314.25).

Total = £25, 409.25
(AUD\$50,799.20)

Timescales

Jim has been invited to update the Commonwealth Games Federation Annual Assembly, which is being held in Auckland in September. We have also been invited to Wellington to unveil a Walkway potentially as part of their 150 Year Capital celebrations; Rarotonga, to unveil a potential Walkway as part of their 50 years of Independence celebrations; and Samoa, as part of their hosting of The Commonwealth Youth Games. Unfortunately I will not be able to travel with him due to family commitments but it may be possible for Jim to travel via Perth around 9th or 10th September if that was useful? Please can you let us know as soon as possible if a trip to Perth would be useful around this time?

For information too we are meeting with officials at Buckingham Palace in early July to confirm the possibility that Her Majesty The Queen might launch the whole project in November at the next Commonwealth Heads of Government Meeting being held in Valletta, Malta. If this does happen, we don't see it a problem at all that some Cities will have already made commitments.

Do take a look at the launch, with The Governor General of Australia, that happened recently at the City of Gold Coast, Queensland, Australia:

<http://www.outdoortrust.com/#!/Governor-General-launches-first-Commonwealth-Walkway-in-Australia/c1p5o/5526b86b0cf2aa181195ec6f>

To be clear about the ask of the City of Perth, to complete The Commonwealth Walkway with the Outdoor Trust, the commitment required is to:

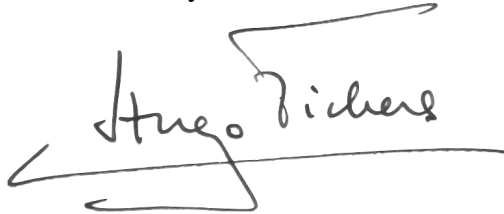
1. Agree the final official route in partnership with relevant departments, landowners and the host local Council administration.
2. Agree the Points of Commonwealth Significance that will be marked; provide relevant text and images to the Trust for them to add to the app and promote them; and coordinate the installation of the markers in the footway.
3. Agree on the location for the gateway panel to promote the Walkway; liaise with the Trust on the artwork; and coordinate its installation.
4. Coordinate an appropriate launch of the Commonwealth Walkway, ideally a ceremonial unveiling of the interpretive panel.
5. Help us to meet the costs in Perth (and of the Outdoor Trust charity if in advance of an international sponsor for the whole scheme being secured).

Finally, let me add that it is our hope that in partnership with The Commonwealth Games Federation the Commonwealth Walkway in Perth will be a popular asset, perhaps used as part of the 2018 Commonwealth Games Queen's Baton Relay route? We plan to meet with the CGA WA President Sam Castiglione, and Lisa Lilleyman, the new Executive Office when we next visit. Excitingly, at the CGF Annual Assembly it is proposed to agree that the Trust will work with the Federation in each country towards an annual Walk for the Commonwealth, on the Walkways on Commonwealth Day, to help raise awareness of the Commonwealth and encourage more people locally to be active to benefit their health.

I very much hope that by working collaboratively we can create a Commonwealth Walkway in Perth that both inspires other cities to potentially create routes too and collectively encourage millions of people be more active to benefit their health; value the importance of the Commonwealth to help secure its united future; and celebrate, in an appropriate way, the extraordinary leadership of Her Majesty The Queen for over 63 years.

We very much look forward to working with you.

Yours sincerely

A handwritten signature in black ink that reads "Hugo Vickers". The signature is written in a cursive style with a long horizontal line extending to the left and a large, sweeping flourish above the name.

Hugo Vickers DL
Chairman



CC

Her Excellency the Honorable Kerry Sanderson AO, Governor of Western Australia.
Barry House MLC, President of Legislative Council, Parliament of Western Australia.
Gary Stevenson PSM, Chief Executive Officer, City of Perth.
Doug Forster, Director City Infrastructure and Enterprises, City of Perth.

Commonwealth Walkway Project Meeting – Notes from meeting
Thursday, 10 September 2015 from 3.00pm to 4.30pm

Attendees:

Her Excellency the Honourable Kerry Sanderson, AO
Mrs Carol Buckley MVO, Official Secretary
Mr Jim Walker, Director, The Outdoor Trust (UK)
Hon. Barry House, MLC, President of the Legislative Council
Ms Patricia Traegde, Building Services Manager, Parliament House
Councillor Rob Butler, Deputy Mayor, City of Perth
Mr Doug Forster, Director, Construction and Maintenance Directorate, City of Perth
Mr Steve Bennett, Senior Policy Officer, Department of Sport and Recreation
Mr David Forster, Trails Advocate
Mr Richard Offen, Executive Officer, Heritage Perth
Ms Jo Wilkie, Grants Manager, Lotterywest Grants and Community Development
Mr Enzo Sirna AM, Chief Executive Officer, National Trust of Australia (WA)
Mr Tony Abbott, CME OBE, Chairman, The Royal Over-Seas League (WA)
Mr Terry Spiro, President, The Royal Commonwealth Society (WA)
Mrs Ann Kennish, newly appointed President, The Australia-Britain Society (WA Branch)
Mr Richard Savage, Past President, The Australia-Britain Society (WA Branch)

Not in attendance:

Mr Don Stockins, OAM, Vice President, Commonwealth Games Association
Mr Noel Nannup

1. **Welcome by the Governor**

The Governor thanked all parties for attendance and mentioned that yesterday was a significant date with the Queen becoming the longest serving Monarch on that date. The importance of the Commonwealth to the Queen and to those present was acknowledged.

2. **Introductions**

3. **Overview of Commonwealth Walkway Project– Mr Jim Walker.**

Background and history of the walkway – Silver Jubilee Trust and Queens Walkway as per book; London Olympics in 2012; Outdoor Trust UK took over with concept in 2013 inspired by the Baton Relay for the Commonwealth Games – Commonwealth Walkway Identified importance across Commonwealth – 3 components - possibly up to 10,000 **markers across the Commonwealth.**

Translation of information to mobile phones – originally a beacon – unsuccessful – now based on **GPS App** – downloads information within 100 metres of the location.

Interpretive panel –one at the beginning, optional other signposts for the walkway; approx. 900x600mm; features route map, key features, City and Commonwealth context.

4. **Work already done to date on a Perth Commonwealth Walkway – Mr Jim Walker and Mr David Forster**

Draft route already established – 10 kms – 36 markers. Cost approximately \$50,000 for the 36 markers.

Potential sponsors have been approached (Rio Tinto & BHP) – no resolution at this stage.

City of Perth – exchange of letters – support in respect to installing the markers – already approved by the Council. Additional discussions with DSR and National Trust in respect to in kind support. Wider consultation and a planned approach still needed. Support from other organisations discussed, and the need to be aware of and plan co-ordination/links with other trails.

5. **Where to from here?**

a. **How do we proceed?**

Determine local ownership and project manager – agreed that the logical ‘driver’ is the City of Perth. In addition to the agreement to install the markers, City of Perth in principle agreement to take the lead role to progress this project with support from other agencies/individuals.

b. **Funding.**

Yet to be resolved. Lotterywest option but will be subject to a planning phase – consider the existing trails and ensure ‘adding value’ not competing; consider community input particularly for the decisions about the location selections and the overall responsibility for that decision.

Jim Walker still to follow up in London with Rio Tinto regarding the funding of the markers.

c. **Installation of markers** - Deputy Lord Mayor Rob Butler/Mr Doug Forster.

Ongoing maintenance of markers once installed will need financial (resources) commitment from the City of Perth. Initial installation already has agreement from the City of Perth confirmed.

d. **Interpretation panels / information.**

Quality control of information is very important. Suggested use of only established historical/heritage organisations eg; Heritage Perth, National Trust, RWAHS – plus input from locations where specific markers and interpretation panels are located eg; Government House or Parliament House.

e. **Destination for markers.**

Route is not yet determined. A basic outline drawn up by the Outdoor Trust – further consultation required.

f. **Future timeline? – Launch** (Prince of Wales’ visit – November).

Suggested that a modest launch could/should be achieved by mid-November 2015 (coincide with a visit to WA by the Prince of Wales). Some discussion has taken place between the Outdoor Trust Chairman and Clarence House about possibility of HRH unveiling the first marker for Perth (location to be determined and agreed).

6. **Structure to move forward – Steering Party.**

The City of Perth, in collaboration with Heritage Perth, confirmed it will take the lead for this project. (Richard Offen to confirm with his board ASAP).

A small steering committee is preferred –Cr Rob Butler, Deputy Lord Mayor, City of Perth to chair; Hon Barry House MLC and Richard Offen have offered to be included on the committee; David Forster will provide 3 months free executive support subject to provision of a computer and work station (he will use his LSL) for the committee.

The loyal societies offered to provide a member. (Terry Spiro, President, Royal Commonwealth Society has since offered to join the steering committee as a representative of the loyal societies – email 11 September 2015.)

7. **General Business.**

Future support also offered from National Trust (including representation on the steering committee; heritage and historical advice; and information), Department of Sport and Recreation (Trails guidelines), and Lotterywest (not on Steering Committee but advice on planning, community engagement).

The 3 existing markers in Perth (held by GH, PH and CoP) could be installed in November – at least a start point – Plan A. A fall-back position is for The Queen’s 90th birthday (actual 21 April 2016) – Plan B.

Meeting agreed to Jim Walker’s request to use the Perth example as a ‘case study’ for the development of a Walkway project.

Also Jim Walker requested agreement to submit a statement for the next CHOGM meeting in November 2015 to be launched by The Queen in Valetta/Malta that the ‘top ten’ walkways in the Commonwealth would now include Perth – AGREED.

8. **Next Meeting.**

Steering Committee meeting to be convened ASAP by the Deputy Lord Mayor.

Report back to this meeting in early October 2015 with a view to feasibility of November launch.

CITY OF PERTH, WESTERN AUSTRALIA
Commonwealth Walkway Project – Notes from meeting
Tuesday, 29 September 2015 from 10.00am to 11.00m
at Council House, 27 St Georges Tce. PERTH WA

DRAFT

Attendees:

Councillor Rob Butler, Deputy Mayor, City of Perth and Chair
Hon. Barry House, MLC, President of the Legislative Council
Mr Gary Stevenson, Chief Executive Officer, City of Perth.
Mr Richard Savage, Past President, The Australia-Britain Society (WA Branch)
Mr Steve Bennett, Senior Policy Officer, Department of Sport and Recreation
Ms Patricia Traegde, Building Services Manager, Parliament House
Mr Richard Offen, Executive Officer, Heritage Perth
Mr David Forster, Trails Advocate, Volunteer

1. **Welcome by the Chair, Rob Butler**

The Deputy Mayor, City of Perth thanked all parties for their attendance at short notice and mentioned that this meeting followed on from the very positive meeting hosted by Her Excellency The Hon. Kerry Sanderson AO, Governor of Western Australia held at Government House on 10 September 2015.

3. **Commonwealth Walkway Project– Perth**

The Hon. Barry House MLC gave a brief summary of his actions in endeavouring to bring the project into a formal management structure after his meeting with the Lord Mayor on 10 August 2015.

4. **Where to from here?**

Richard Offen outlined the pressures facing Heritage Perth with Perth Heritage Days 2015 events in October and recommended that the meeting aim for April 2016. It was important, under the banner of the City of Perth, who and which groups we were aiming at and for the project to have its own 'badge,' and full Council support from the beginning.

5. **How do we proceed?**

The City of Perth (through Heritage Perth) had previously give in-principle agreement to take the lead role to progress this project with support from other agencies and individuals. The CEO, Gary Stevenson suggested a course of events of six weeks duration which would enable a brief and support package about the walkway to be presented to the City Council for their November Meeting (3 or 24 November 2015). Council members would then be asked to have input into the course of the project.

This would mean a projected series of marker installations (at least the three currently in the state – Government House, Parliament House and one other) and suitable ceremonies beginning on the Queen's Birthday, Thursday, 21 April 2016. It would also allow time for realising an outcome of EOI/funding application through Lotterywest. Steve Bennett (DSR) confirmed that there would be longer timelines than those allowing a laying of a marker in November 2015, coincident with the visit of Prince Charles and the Duchess so Cornwall, for Lotterywest to consider such an application in any event.

RESOLUTIONS

It was agreed to defer the first marker installations to Thursday, 21 April 2016 – Her Majesty's actual anniversary of her birthday.

The meeting agreed to start with a 'blank' route for the walkway and set up a small working group with the Chair emphasising the ability to re-convene this larger group whenever necessary.**

**Mr David Forster (Volunteer) and Mr Richard Offen (Heritage Perth) to jointly project manage the first stages of developing a brief for the walkway – preparing a package through the CEO to the Council Meeting in November and then an EOI for funding to Lotterywest with the City of Perth as the nominated agency. NB Mr Forster from 12 October 2015 will be working voluntarily from Council House for three months. Mr Offen, after the heavy events schedule outlined above has been completed to join him later in the year.

Other items discussed.

Mr Richard Savage related his positive contact with Anice Brown (Sp?) from the Treasury Building whom he had been referred to the CEO City of Perth.

Mr Steve Bennett recommended and confirmed the part-time availability of Ms Sally Wallace as an experienced trails person who could advance the project after these initial stages for an amount of say \$25 000

Next Timeline(s)

City of Perth Council Meetings 3 and 24 November 2015

The 10 September 2015 meeting with Her Excellency, The Governor of Western Australia requested a report back to members at that meeting in 'November 2015.'

Drafted from notes prepared by David Forster
29 September 2015.

CONFIDENTIAL SCHEDULES 9, 10, 11, 12 & 14
CONFIDENTIAL ITEM 9 – REQUEST FOR
REIMBURSEMENT OF LEGAL EXPENSES – MR FRANK
EDWARDS

FOR THE FINANCE AND ADMINISTRATION COMMITTEE
MEETING

17 NOVEMBER 2015

DISTRIBUTED TO ELECTED MEMBERS UNDER
SEPARATE COVER

POLICY NO: 10.16**LEGAL REPRESENTATION FOR MEMBERS AND EMPLOYEES**

ORIGIN/AUTHORITY**FILE NO.**

Council meeting – 15 July 2008 (727/08)

P1023394

OBJECTIVES

The objective of this policy is to provide a framework and guidelines to assist the Council in determining when the City should provide financial assistance to members and employees for legal representation.

POLICY STATEMENT

Under the Local Government Act 1995, the City of Perth is empowered to protect the interests of individual members and employees (including past members and former employees) where they become involved in civil legal proceedings because of their official functions. In these situations the City may assist the individual in meeting reasonable expenses and any liabilities incurred in relation to those proceedings.

In this policy:-

“approved solicitor” is to be:-

- a) a “certified practitioner” under the *Legal Practice Act 2003*; and
- b) approved in writing by the Chief Executive Officer;

“member or employee” means a current or former Elected Member, commissioner, a member of a Committee of Council or employee of the City;

POLICY NO: 10.16

“legal proceedings” may be civil, criminal or investigative (including an inquiry under any written law);

“legal representation” is the provision of legal services, to or on behalf of a member or employee, by an approved solicitor that are in respect of:-

- a) a matter or matters arising from the performance of the functions of the member or employee; and
- b) legal proceedings involving the member or employee that have been, or may be, commenced;

“legal representation costs” are the costs, including fees and disbursements, properly incurred in providing legal representation;

“legal services” includes advice, representation or documentation that is provided by an approved solicitor;

“payment” by the City of legal representation costs may be either by:-

- a) a direct payment to the approved solicitor (or the relevant firm); or
- b) a reimbursement to the member or employee.

1. Financial Assistance Criteria

1.1 The City may provide financial assistance for legal representation of a member or employee based on the following criteria:-

- (a) the legal representation costs must relate to a matter that arises from the performance, by the member or employee, of his or her functions as a member or employee;
- (b) the legal representation cost must be in respect of legal proceedings that have been, or may be, commenced;

POLICY NO: 10.16

- (c) in performing his or her function, to which the legal representation relates, the member or employee in the Chief Executive Officer's, or where the employee is the Chief Executive Officer, the Council's opinion must have acted in good faith, and conduct under the City's Code of Conduct, Local Government (Rules of Conduct) Regulations 2007 or other written law; and
- (d) the legal representation costs do not relate to a matter or dispute in respect of a Local Government Election process.

2. Examples of legal proceedings

2.1 If the criteria in clause 1 are satisfied, the Council may approve the payment of legal representation costs:-

- (a) where proceedings are brought against a member or employee in connection with his or her functions – for example, an action for defamation or negligence arising out of a decision made or action taken by the member or employee;
- (b) where proceedings are commenced by a member or employee to enable them to carry out their local government functions - for example, where a member or employee seeks a restraining order against a person using threatening behaviour to the member or employee; or
- (c) for involvement in a statutory or other inquiry that requires information to be given by, or to which information is given, by a member or employee in connection with his or her functions.

2.2 The City will not make payment for legal representation costs to a member or employee for a defamation or negligence action, instituted by a member or employee.

3. Application for payment

3.1 A member or employee who seeks payment under this policy is to:-

- (a) make an application(s) in writing, to the CEO, unless the CEO is the applicant in which case the application is to be submitted to the Director Corporate Services, with the following details:-

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- (i) the matter for which legal representation is sought;
 - (ii) how that matter relates to the functions of the Member or employee making the application;
 - (iii) the solicitor (or firm) who is to be asked to provide legal representation;
 - (iv) the nature of legal representation to be sought (such as advice, representation in court, preparation of a document etc);
 - (v) the estimated cost (if known) of the legal representation; and
 - (vi) why it is in the interests of the City for payment to be made; and
- (b) so far as possible, make the application in paragraph (a) before seeking the legal representation to which the application relates.
- 3.2 The application is to be accompanied by a signed declaration by the relevant member or employee that he or she:-
- (a) has read, and understands, the terms of this Policy;
 - (b) has acted in good faith, and has not acted unlawfully or in a way that constitutes improper conduct in relation to the matter to which the application relates;
 - (c) acknowledges that any approval of legal representation costs is conditional on the repayment provisions of clause 7 and any other conditions to which the approval is subject; and
 - (d) undertakes to repay to the City any legal representation costs in accordance with the provisions of clause 7, as may be required by the City and the terms of this Policy.

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- 3.3 Once an application is received in accordance with this Policy a report is to be prepared by the CEO or where the CEO is the applicant, the Director Corporate Services, containing details of the application, an assessment of the request, an estimation of costs and a recommendation for consideration by the Council.

4. Legal Representation Costs – Limit

- 4.1 Unless otherwise determined by the Council, payment of legal representation costs in respect of a single application is not to exceed \$10,000.
- 4.2 A member or employee may make an additional application(s) to the Council in respect of the same matter.

5. Council's Powers

- 5.1 The Council, in respect of an application for payment of legal representation costs, may:–
- (a) refuse the application;
 - (b) grant payment; or
 - (c) grant payment subject to conditions.
- 5.2 Conditions under clause 5.1 may include, but are not limited to:–
- (a) a financial limit; and
 - (b) a requirement to enter into a formal agreement, including a security agreement, relating to the payment, and repayment, of legal representation costs.
- 5.3 In assessing an application, the Council may have regard to any insurance benefits that may be available to the applicant under the City's member or employee insurance policy (or its equivalent).
- 5.4 The Council may by resolution, cancel or vary an approval, or any conditions of approval, for the payment of legal representation costs.

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- 5.5 The Council may determine that a member or employee whose application for legal representation costs has been approved has, in respect of the matter for which legal representation costs were approved:–
- (a) not acted reasonably or in good faith; or
 - (b) given false or misleading information in respect of the application.
- 5.6 Where the Council makes a determination under clause 5.5 or where a Court or Commission find that a member or employee has acted unlawfully or in a way that constitutes misconduct:-
- (a) assistance from the City will be immediately withdrawn; and
 - (b) the legal representation costs paid by the City are to be repaid by the member or employee in accordance with clause 7.

6. Chief Executive Officer's powers

- 6.1 In cases where a delay in the approval of an application will be detrimental to the legal rights of the applicant, the CEO, subject to clause 6.2, may exercise, on behalf of the Council, any of the powers of the Council under clause 5.1 and 5.2, to a maximum of \$2,000 in respect of each application.
- 6.2 Where it is the CEO who is seeking urgent financial support for legal services the Director Corporate Services shall deal with the application.
- 6.3 An application approved by the CEO under clause 6.1, or by the Director Corporate Services under clause 6.2 is to be submitted to the next Ordinary Meeting of the Council which may exercise any of its powers under this Policy, including its powers under clause 5.4.

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7. Repayment of Legal Representation Costs

- 7.1 A Member or employee whose legal representation costs have been paid by the City is to repay the City:-
- (a) all or part of those costs – in accordance with a determination by the Council under clause 5.7;
 - (b) as much of those costs as are available to be paid by way of set-off – where the member or employee receives monies paid for costs, damages, or settlement, in respect of the matter for which the City paid the legal representation costs.
- 7.2 The City may take action in a court of competent jurisdiction to recover any monies due to it under this Policy.

Amendments/Review:

Council meeting - 1 February 2011 (33/11)