

CITY OF GREATER GERALDTON

BUDGET

FOR THE YEAR ENDED 30 JUNE 2017

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**CITY OF GREATER GERALDTON
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2017**

	NOTE	2016/17 Budget \$	2015/16 Actual \$	2015/16 Budget \$
Revenue				
Rates	8	43,023,783	41,310,124	41,275,124
Operating Grants, Subsidies and Contributions		8,304,039	10,107,632	9,178,676
Fees and Charges	14	20,812,260	19,767,693	19,866,989
Service Charges	11	0	0	0
Interest Earnings	2(a)	1,369,558	1,374,762	1,443,935
Other Revenue	2(a)	690,217	1,586,811	1,105,661
		<u>74,199,857</u>	<u>74,147,022</u>	<u>72,870,385</u>
Expenses				
Employee Costs		(27,053,679)	(27,759,965)	(28,238,387)
Materials and Contracts		(21,700,389)	(23,605,503)	(22,060,140)
Utility Charges		(3,368,899)	(3,212,998)	(3,295,420)
Depreciation on Non-Current Assets	2(a)	(20,979,104)	(22,473,813)	(22,023,657)
Interest Expenses	2(a)	(1,154,735)	(1,109,335)	(1,109,443)
Insurance Expenses		(893,510)	(778,696)	(880,735)
Other Expenditure		(1,269,499)	(2,700,397)	(2,891,549)
		<u>(76,419,815)</u>	<u>(81,640,707)</u>	<u>(80,499,331)</u>
		(2,219,958)	(7,493,685)	(7,628,946)
Non-Operating Grants, Subsidies and Contributions				
		42,348,599	10,526,843	19,689,063
Profit on Asset Disposals	6	122,452	144,901	218,026
Loss on Asset Disposals	6	(50,338)	(234,511)	(234,511)
Fair Value Adjustments to Financial Assets		0	90,000	90,000
		<u>0</u>	<u>90,000</u>	<u>90,000</u>
NET RESULT		40,200,755	3,033,548	12,133,632
Other Comprehensive Income				
Changes on Revaluation of Non-Current Assets		0	0	27,367,322
Total Other Comprehensive Income		<u>0</u>	<u>0</u>	<u>27,367,322</u>
TOTAL COMPREHENSIVE INCOME		<u>40,200,755</u>	<u>3,033,548</u>	<u>39,500,954</u>

Notes:

All fair value adjustments relating to re-measurement of financial assets at fair value through profit or loss (if any) and changes on revaluation of non-current assets are impacted upon by external forces and not able to be reliably estimated at the time of budget adoption.

Fair value adjustments relating to the re-measurement of financial assets at fair value through profit or loss will be assessed at the time they occur with compensating budget amendments made as necessary.

It is anticipated, in all instances, any changes upon revaluation of non-current assets will relate to non-cash transactions and as such, have no impact on this budget document.

This statement is to be read in conjunction with the accompanying notes.

CITY OF GREATER GERALDTON
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2017

	NOTE	2016/17 Budget	2015/16 Actual	2015/16 Budget
		\$	\$	\$
Revenue (Refer Notes 1,2,8,10 to 14)				
Governance		77,410	73,080	70,480
General Purpose Funding		50,771,061	48,832,281	48,866,455
Law, Order, Public safety		669,490	915,621	889,101
Education and Welfare		298,840	1,391,389	1,349,725
Housing		0	0	0
Community Amenities		10,199,425	9,333,801	9,173,791
Recreation and Culture		2,746,286	3,352,153	2,848,319
Transport		6,940,979	7,488,141	6,956,141
Economic Services		1,031,682	1,057,193	1,206,213
Other Property and Services		1,404,257	1,647,363	1,454,161
		<u>74,199,857</u>	<u>74,147,022</u>	<u>72,870,386</u>
Expenses Excluding Finance Costs Refer Notes 1, 2 & 15)				
Governance		(1,444,297)	(11,841,627)	(11,306,111)
General Purpose Funding		(658,950)	(649,531)	(689,531)
Law, Order, Public safety		(1,046,256)	(1,083,796)	(1,101,333)
Health		(96,413)	(126,178)	(99,262)
Education and Welfare		(1,583,729)	(2,479,885)	(2,377,648)
Housing		(47,726)	(92,357)	(72,000)
Community Amenities		(8,503,491)	(8,574,806)	(8,009,120)
Recreation and Culture		(15,465,422)	(13,597,647)	(13,798,514)
Transport		(30,471,629)	(26,132,806)	(26,594,385)
Economic Services		(4,455,622)	(4,066,106)	(4,036,521)
Other Property and Services		(11,491,545)	(11,886,633)	(11,305,464)
		<u>(75,265,080)</u>	<u>(80,531,372)</u>	<u>(79,389,889)</u>
Finance Costs (Refer Notes 2 & 7)				
Governance		(26,499)	(30,093)	(38,580)
Recreation and Culture		(578,549)	(407,240)	(511,240)
Transport		(313,927)	(349,179)	(458,857)
Economic services		(163,989)	(243,417)	(1,886)
Other Property and Services		(71,771)	(79,406)	(98,880)
		<u>(1,154,735)</u>	<u>(1,109,335)</u>	<u>(1,109,443)</u>
Non-Operating Grants, Subsidies and Contributions				
Law, Order, Public safety		370,000	504,403	0
Health		0	0	0
Education and Welfare		0	0	0
Recreation and Culture		21,537,599	2,980,440	19,689,063
Transport		20,441,000	7,042,000	0
		<u>42,348,599</u>	<u>10,526,843</u>	<u>19,689,063</u>

**CITY OF GREATER GERALDTON
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2017**

	NOTE	2016/17 Budget \$	2015/16 Actual \$	2015/16 Budget \$
Profit/(Loss) On				
Disposal Of Assets (Refer Note 6)				
Recreation and culture		0	0	(16,485)
Other Property and Services		72,114	(89,610)	0
		<u>72,114</u>	<u>(89,610)</u>	<u>(16,485)</u>
Loss on				
Revaluation Of Non Current Assets				
General Purpose Funding		0	90,000	90,000
		<u>0</u>	<u>90,000</u>	<u>90,000</u>
NET RESULT		40,200,755	3,033,548	12,133,632
Other Comprehensive Income				
Changes on Revaluation of Non-Current Assets		0	0	27,367,322
Total Other Comprehensive Income		<u>0</u>	<u>0</u>	<u>27,367,322</u>
TOTAL COMPREHENSIVE INCOME		<u>40,200,755</u>	<u>3,033,548</u>	<u>39,500,954</u>

Notes:

All fair value adjustments relating to re-measurement of financial assets at fair value through profit or loss (if any) and changes on revaluation of non-current assets are impacted upon by external forces and not able to be reliably estimated at the time of budget adoption.

Fair value adjustments relating to the remeasurement of financial assets at fair value through profit or loss will be assessed at the time they occur with compensating budget amendments made as necessary.

It is anticipated, in all instances, any changes upon revaluation of non-current assets will relate to non-cash transactions and as such, have no impact on this budget document.

This statement is to be read in conjunction with the accompanying notes.

**CITY OF GREATER GERALDTON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017**

	NOTE	2016/17 Budget \$	2015/16 Actual \$	2015/16 Budget \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		42,994,387	41,402,680	41,203,098
Operating Grants, Subsidies and Contributions		8,304,039	10,107,632	9,178,676
Fees and Charges		20,812,260	19,767,693	19,866,989
Interest Earnings		1,368,991	1,386,100	1,443,623
Other Revenue		723,696	1,687,595	943,420
		<u>74,203,373</u>	<u>74,351,700</u>	<u>72,635,806</u>
Payments				
Employee Costs		(27,168,304)	(27,967,423)	(28,213,394)
Materials and Contracts		(21,842,259)	(24,667,461)	(21,722,563)
Utility Charges		(3,368,899)	(3,212,998)	(3,295,420)
Interest Expenses		(1,154,735)	(1,251,335)	(1,119,443)
Insurance Expenses		(893,510)	(778,696)	(880,735)
Other Expenditure		(1,269,499)	(2,700,397)	(2,741,549)
		<u>(55,697,206)</u>	<u>(60,578,310)</u>	<u>(57,973,104)</u>
Net Cash provided by (used in)				
Operating Activities	3(b)	<u>18,506,167</u>	<u>13,773,390</u>	<u>14,662,702</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for Land Acquisitions	5	(3,150,000)	0	0
Payments for Purchase of Property, Plant & Equipment	5	(6,415,546)	(16,014,931)	(15,394,998)
Payments for Construction of Infrastructure	5	(68,796,028)	(23,386,159)	(53,389,863)
Non-Operating Grants, Subsidies and Contributions used for the development of Assets		42,348,599	10,526,843	19,689,063
Proceeds from Sale of Land Held for Resale				500,000
Proceeds from Sale of Plant & Equipment	6	3,773,400	1,052,944	4,159,000
Proceeds from Investments			356,000	90,000
Net Cash provided by (used in)				
Investing Activities		<u>(32,239,575)</u>	<u>(27,465,303)</u>	<u>(44,346,798)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of Debentures	7	(3,749,553)	(3,035,215)	(3,032,231)
Advances to Community Groups		0		
Proceeds from Self Supporting Loans		86,625	81,748	81,748
Proceeds from New Debentures	7	17,600,000	8,806,000	25,206,000
Net Cash provided by (used In)				
Financing Activities		<u>13,937,072</u>	<u>5,852,533</u>	<u>22,255,517</u>
Net Increase (Decrease) in Cash held				
Cash at beginning of year		203,664	(7,839,380)	(7,428,579)
		<u>13,493,819</u>	<u>21,333,200</u>	<u>15,114,433</u>
Cash and Cash Equivalents				
at the End of the Year	3(a)	<u><u>13,697,483</u></u>	<u><u>13,493,820</u></u>	<u><u>7,685,854</u></u>

This statement is to be read in conjunction with the accompanying notes.

**CITY OF GREATER GERALDTON
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017**

	NOTE	2016/17 Budget \$	2015/16 Actual \$	2015/16 Budget \$
Net Current Assets at Start of Financial Year - Surplus/(Deficit)	4	922,160	(132,680)	(2,094,502)
Revenue	1,2			
Grant, Subsidies and Contributions		50,652,638	20,634,475	28,867,739
Fees and Charges		20,812,260	19,767,693	19,866,989
Interest Earnings		1,369,558	1,374,762	1,443,935
Other Revenue		690,217	1,586,811	1,105,661
Profit on Asset Disposals		122,452	144,901	218,026
		<u>73,647,125</u>	<u>43,508,642</u>	<u>51,502,350</u>
Expenses	1,2			
Employee Costs		(27,053,679)	(27,759,965)	(28,238,387)
Materials and Contracts		(21,700,389)	(23,605,503)	(22,060,140)
Utility Charges		(3,368,899)	(3,212,998)	(3,295,420)
Depreciation on Non-Current Assets		(20,979,104)	(22,473,813)	(22,023,657)
Interest Expenses		(1,154,735)	(1,109,335)	(1,109,443)
Insurance Expenses		(893,510)	(778,696)	(880,735)
Other Expenditure		(1,269,499)	(2,700,397)	(2,891,549)
Loss on Asset Disposals		(50,338)	(234,511)	(234,511)
		<u>(76,470,153)</u>	<u>(81,875,218)</u>	<u>(80,733,842)</u>
Net Result Excluding General Rates		(2,823,028)	(38,366,576)	(29,231,492)
Adjustments for Cash Budget Requirements:				
Non-Cash Expenditure and Revenue				
(Profit)/Loss on Asset Disposals	6	(72,114)	89,610	16,485
Depreciation on Assets	2(a)	20,979,104	22,473,813	22,023,657
Movement in Employee Benefit Provisions (Non-Current)		18,160	5,853	97,167
		<u>20,925,150</u>	<u>22,569,276</u>	<u>22,137,309</u>
Subsidies and Contributions				
Purchase Property, Plant and Equipment	5	(6,415,546)	(16,014,931)	(15,394,998)
Purchase Infrastructure	5	(68,796,028)	(23,386,159)	(53,389,863)
Payment for Land Acquisition	5	(3,150,000)	0	0
Proceeds from Disposal of Assets	6	3,773,400	1,052,944	4,159,000
Proceeds from Sale of Land Held for Resale				500,000
Repayment of Debentures	7	(3,749,553)	(3,035,215)	(3,032,231)
Proceeds from New Debentures	7	17,600,000	8,806,000	25,206,000
Proceeds from Self Supporting Loans		86,625	81,748	81,748
Loans by Council Principal Income		0	37,629	37,629
Transfers to Cash Backed Reserves (restricted assets)	9	0	0	0
Transfers from Cash Backed Reserves (restricted assets)	9	2,009,041	8,000,000	8,133,496
		<u>(58,642,061)</u>	<u>(24,457,984)</u>	<u>(33,699,219)</u>
Budgeted Deficiency before General Rates		<u>(39,617,779)</u>	<u>(40,387,964)</u>	<u>(42,887,904)</u>
Estimated amount to be raised from General Rates	8	43,023,783	41,310,124	41,275,124
Net Current Assets at End of Financial Year - Surplus/(Deficit)	4	3,406,004	922,160	(1,612,780)

This statement is to be read in conjunction with the accompanying notes.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The budget has been prepared in accordance with applicable Australian Accounting Standards (as they apply to local government and not-for-profit entities), Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1995 and accompanying regulations. Material accounting policies which have been adopted in the preparation of this budget are presented below and have been consistently applied unless stated otherwise.

Except for cash flow and rate setting information, the budget has also been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

The Local Government Reporting Entity

All funds through which the City controls resources to carry on its functions have been included in the financial statements forming part of this budget.

In the process of reporting on the local government as a single unit, all transactions and balances between those Funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 16 to this budget document.

(b) 2015/16 Actual Balances

Balances shown in this budget as 2015/16 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

(c) Rounding Off Figures

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

(d) Rates, Grants, Donations and Other Contributions

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

Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(e) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

(f) Superannuation

The City contributes to a number of superannuation funds on behalf of employees.

All funds to which the City contributes are defined contribution plans.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities in Note 4 - Net Current Assets.

(h) Trade and Other Receivables

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

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

(i) Inventories

General

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land Held for Resale

Land held for development and sale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development, borrowing costs and holding costs until completion of development. Finance costs and holding charges incurred after development is completed are expensed.

Gains and losses are recognised in profit or loss at the time of signing an unconditional contract of sale if significant risks and rewards, and effective control over the land, are passed on to the buyer at this point.

Land held for sale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Fixed Assets

Each class of fixed assets within either property, plant and equipment or infrastructure, is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

Initial Recognition and Measurement between Mandatory Revaluation Dates

All assets are initially recognised at cost and subsequently revalued in accordance with the mandatory measurement framework detailed above.

In relation to this initial measurement, cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the City includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation of the next anniversary date in accordance with the mandatory measurement framework detailed above.

Revaluation

Increases in the carrying amount arising on revaluation of assets are credited to a revaluation surplus in equity. Decreases that offset previous increases of the same asset are recognised against revaluation surplus directly in equity. All other decreases are recognised in profit or loss.

Land Under Roads

In Western Australia, all land under roads is Crown land, the responsibility for managing which, is vested in the local government.

Effective as at 1 July 2008, Council elected not to recognise any value for land under roads acquired on or before 30 June 2008. This accords with the treatment available in Australian Accounting Standard AASB 1051 Land Under Roads and the fact Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

In respect of land under roads acquired on or after 1 July 2008, as detailed above, Local Government (Financial Management) Regulation 16(a)(i) prohibits local governments from recognising such land as an asset.

Whilst such treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

Consequently, any land under roads acquired on or after 1 July 2008 is not included as an asset of the City

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Fixed Assets (Continued)

Depreciation

The depreciable amount of all fixed assets including buildings but excluding freehold land, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful life of the improvements.

Major depreciation periods used for each class of depreciable asset are:

Land	Infinite
Land (Leasehold Interest)	99 years
Airport - Runway, Apron and Car Park	20 to 40 years
Buildings	35 to 55 years
Furniture and Equipment	7 to 13 years
Plant and Major Equipment	5 to 10 years
Minor Plant	3 to 7 years
Sealed roads and streets	20 to 50 years
Bridges	60 to 90 years
Car Parks sealed	20 to 40 years
Culverts	40 to 60 years
Cycle Ways	25 to 45 years
Dams, Reservoirs and Weirs	65 to 85 years
Footpaths - slab	15 to 35 years
Footpaths - concrete	25 to 45 years
Fountains	40 to 60 years
Kerbs and Channels	40 to 60 years
Street Lights	20 to 30 years
Sewerage piping	70 to 90 years
Water Reticulation/Irrigation	15 to 25 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in profit or loss in the period which they arise.

Capitalisation Threshold

All Land and Art purchases are capitalised. The remaining asset classes will be capitalised if the cost exceeds the following thresholds:

Buildings	\$5,000.00
Plant, Equipment and Tools	\$2,000.00
Furniture and Equipment	\$2,000.00
Computer and Electronic Equipment	\$2,000.00

Expenditure on items of equipment under the thresholds is not capitalised. Rather, it is recorded on an asset inventory listing.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Fair Value of Assets and Liabilities (Continued)

When performing a revaluation, the City uses a mix of both independent and management valuations using the following as a guide:

Fair Value is the price that the City would receive to sell the asset or would have to pay to transfer a liability, in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset. The fair values of assets that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset (i.e. the market with the greatest volume and level of activity for the asset or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

Fair Value Hierarchy

AASB 13 requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurement into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1

Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2

Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3

Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Valuation techniques

The City selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured.

The valuation techniques selected by the City are consistent with one or more of the following valuation approaches:

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Fair Value of Assets and Liabilities (Continued)

Market approach

Valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

Income approach

Valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.

Cost approach

Valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the City gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability and considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The mandatory measurement framework imposed by the *Local Government (Financial Management) Regulations* requires, as a minimum, all assets to be revalued at least every 3 years. Relevant disclosures, in accordance with the requirements of Australian Accounting Standards have been made in the budget as necessary.

(l) Financial Instruments

Initial Recognition and Measurement

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

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

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Financial Instruments (Continued)

Classification and Subsequent Measurement

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

Amortised cost is calculated as:

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

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

(i) Financial assets at fair value through profit and loss

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short term profit taking. Assets in this category are classified as current assets. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed maturities and fixed or determinable payments that the City management has the positive intention and ability to hold to maturity. They are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss.

Held-to-maturity investments are included in current assets where they are expected to mature within 12 months after the end of the reporting period. All other investments are classified as non-current.

CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Financial Instruments (Continued)

Classification and Subsequent Measurement (continued)

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not suitable to be classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

They are subsequently measured at fair value with changes in such fair value (i.e. gains or losses) recognised in other comprehensive income (except for impairment losses). When the financial asset is derecognised, the cumulative gain or loss pertaining to that asset previously recognised in other comprehensive income is reclassified into profit or loss.

Available-for-sale financial assets are included in current assets, where they are expected to be sold within 12 months after the end of the reporting period. All other available for sale financial assets are classified as non-current.

(v) Financial liabilities

Non-derivative financial liabilities (excl. financial guarantees) are subsequently measured at amortised cost. Gains or losses are recognised in the profit or loss.

Impairment

A financial asset is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if management establishes that the carrying amount cannot be recovered by any means, at that point the written-off amounts are charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Financial Instruments (Continued)

Derecognition

Financial assets are derecognised where the contractual rights for receipt of cash flows expire or the asset is transferred to another party, whereby the City no longer has any significant continual involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(m) Impairment of Assets

In accordance with Australian Accounting Standards the City assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, to the asset's carrying amount.

Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another standard (e.g. AASB 116) whereby any impairment loss of a revaluation decrease in accordance with that other standard.

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

At the time of adopting this budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2017.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on this budget document.

(n) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Employee Benefits

Short-Term Employee Benefits

Provision is made for the City's obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The City's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The City's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other Long-Term Employee Benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations or service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The City's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the City does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

(p) Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

(q) Provisions

Provisions are recognised when the City has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Leases

Leases of fixed assets where substantially all the risks and benefits incidental to the ownership of the asset, but not legal ownership, are transferred to the City, are classified as finance leases.

Finance leases are capitalised recording an asset and a liability at the lower amounts equal to the fair value of the leased property or the present value of the minimum lease payments, including any guaranteed residual values. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

Leased assets are depreciated on a straight line basis over the shorter of their estimated useful lives or the lease term.

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the life of the lease term.

(s) Interests in Joint Arrangements

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

Separate joint venture entities providing joint venturers with an interest to net assets are classified as a joint venture and accounted for using the equity method. Refer to note 1(o) for a description of the equity method of accounting.

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

(t) Current and Non-Current Classification

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

(u) Comparative Figures

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

(v) Budget Comparative Figures

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

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

	2016/17 Budget	2015/16 Actual	2015/16 Budget
	\$	\$	\$
2. REVENUES AND EXPENSES			
(a) Net Result			
The Net Result includes:			
Charging as an Expense:			
Auditors remuneration			
Audit Services	45,000	43,055	45,000
Other Services		24,349	0
Depreciation By Program			
Governance	507,885	649,621	677,189
General Purpose Funding			
Law, Order, Public Safety	40,324	49,187	45,085
Health	17,095	45,351	31,838
Education and Welfare	103,752	152,449	155,436
Housing	47,726	92,357	88,392
Community Amenities	413,225	432,409	165,359
Recreation and Culture	1,643,945	2,177,190	2,701,223
Transport	16,307,795	16,532,836	15,503,217
Economic Services	16,479	32,803	8,433
Other Property and Services	1,880,877	2,309,610	2,647,485
	<u>20,979,104</u>	<u>22,473,813</u>	<u>22,023,657</u>
Depreciation By Asset Class			
Land and Buildings	1,791,295	3,358,180	1,856,456
Furniture and Equipment	442,706	442,706	38,830
Plant and Equipment	1,763,161	1,763,161	1,895,958
Roads	12,944,401	12,872,225	12,427,613
Footpaths	440,196	440,196	
Drainage	1,650,555	1,650,555	
Parks	574,219	574,219	1,117,546
Meru	355,547	355,547	968,525
Airport	1,017,024	1,017,024	592,256
Other			3,126,473
	<u>20,979,104</u>	<u>22,473,813</u>	<u>22,023,657</u>
Interest Expenses (Finance Costs)			
- Debentures (refer note 7(a))	1,154,735	1,109,335	1,109,443
Other			
	<u>1,154,735</u>	<u>1,109,335</u>	<u>1,109,443</u>
(ii) Crediting as revenues:			
Interest Earnings			
Investments			
- Reserve funds	790,500	830,827	900,000
- Other funds	17,058	21,935	21,935
Other Interest Revenue (refer note 12)	562,000	522,000	522,000
	<u>1,369,558</u>	<u>1,374,762</u>	<u>1,443,935</u>
(iii) Other Revenue			
Reimbursements and Recoveries			
Other	690,217	1,586,811	1,105,661
	<u>690,217</u>	<u>1,586,811</u>	<u>1,105,661</u>

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

2. REVENUES AND EXPENSES (Continued)

(b) Statement of Objective

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

GOVERNANCE

Objective:

To provide a decision making process for the efficient allocation of resources.

Activities:

Administration and operation of facilities and services to Members of Council, civic receptions and functions, public relations, electoral, administration, support, research operations for Council Members and certain executive and staff.

GENERAL PURPOSE FUNDING

Objective:

To collect revenue to allow for provision of services.

Activities:

General rate revenue, penalty for late payment, ex gratia rates, rate administration fee, rate instalment fee, back rates, general purpose grants, untied road grants, interest on deferred rates and investment returns.

LAW, ORDER, PUBLIC SAFETY

Objective:

To provide services to help ensure a safer community.

Activities:

Fire prevention including the Emergency Services Levy, Volunteer Fire Brigade and SES expenditure, clearing of fire hazards, animal control, park rangers, neighbourhood watch, surf lifesaving, crime prevention and emergency planning and management.

HEALTH

Objective:

To provide an operational framework for good community health.

Activities:

Maternal and infant health, preventive services including food control, health inspections, pest control and other health.

EDUCATION AND WELFARE

Objective:

To meet the needs of the community in these areas.

Activities:

Aged and disabled, Queen Elizabeth II Seniors Centre, other welfare including youth projects, seniors' projects and reconciliation.

HOUSING

Objective:

To help ensure adequate housing.

Activities:

Maintenance of staff housing.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

2. REVENUES AND EXPENSES (Continued)

(b) Statement of Objective (Continued)

COMMUNITY AMENITIES

Objective:

Provide services required by the community.

Activities:

Rubbish collections, Meru refuse site operations, litter control, public litter bins, protection of the environment, town planning control, parenting centre, cemetery, and community services including youth programs.

RECREATION AND CULTURE

Objective:

To establish and manage efficiently infrastructure and resources which will help the social wellbeing of the community.

Activities:

Aquarena, public halls, civic centres, foreshore, beaches, parks, sporting grounds, library, heritage and conservation, museums, Art Gallery and Queens Park Theatre.

TRANSPORT

Objective:

To provide effective and efficient transport services to the community.

Activities:

Roads, footpaths, drainage, road verges, median strips, street lighting, street cleaning, street trees, traffic surveys, traffic management, depot operations, parking facilities and airport.

ECONOMIC SERVICES

Objective:

To help promote the Municipality and improve its economic wellbeing.

Activities:

Tourism and promotions, visitors' information centre, building control, economic development and marketing.

OTHER PROPERTY & SERVICES

Objective:

To provide effective and efficient property services to the community.

Activities:

Private works operations, public works overheads, plant/vehicle operations, town planning schemes, land and property services and others that can not be assigned to one of the preceding programs.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

3. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, Cash includes Cash and Cash Equivalents, net of outstanding Bank Overdrafts. Estimated Cash at the end of the reporting period is as follows:

	2016/17 Budget \$	2015/16 Actual \$	2015/16 Budget \$
Cash - Unrestricted	6,889,622	4,676,917	3,884,089
Cash - Restricted	6,807,861	8,816,902	3,801,765
	<u>13,697,483</u>	<u>13,493,819</u>	<u>7,685,854</u>

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

Mullewa Community Reserve	0	0	556,390
Mullewa Reseal Reserve	1,891,285	1,891,285	1,891,285
Parking Land Reserve	536,187	536,187	381,700
Unexpended Capital Works & Restricted Grants Reserve	4,380,389	6,389,430	972,390
	<u>6,807,861</u>	<u>8,816,902</u>	<u>3,801,765</u>

(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result

Net Result	40,200,755	3,033,548	12,133,632
Depreciation	20,979,104	22,473,813	22,023,657
(Profit)/Loss on Sale of Asset	(72,114)	89,610	16,485
Loss on Revaluation of Non Current Assets	0	(90,000)	0
(Increase)/Decrease in Receivables	39,833	204,678	(327,017)
(Increase)/Decrease in Inventories	29,618	151,680	(57,124)
Increase/(Decrease) in Payables	(222,430)	(1,563,096)	312,132
Increase/(Decrease) in Employee Provisions	(100,000)	0	250,000
Grants/Contributions for the Development of Assets	(42,348,599)	(10,526,843)	(19,689,063)
Net Cash from Operating Activities	<u>18,506,167</u>	<u>13,773,390</u>	<u>14,662,702</u>

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

3. NOTES TO THE STATEMENT OF CASH FLOWS (Continued)

	2016/17 Budget \$	2015/16 Actual \$	2015/16 Budget \$
(c) Undrawn Borrowing Facilities			
Credit Standby Arrangements			
Group Credit Limit	6,000,000	6,000,000	6,000,000
Bank Overdraft Limit	750,000	750,000	750,000
Bank Overdraft at Balance Date	0	0	0
Credit Card Limit	115,000	115,000	115,000
Credit Card Balance at Balance Date	(15,000)	(13,000)	(15,000)
Total Amount of Credit Unused	<u>6,850,000</u>	<u>6,852,000</u>	<u>6,850,000</u>
 Loan Facilities			
Loan Facilities in Use at Balance Date	<u>41,755,353</u>	<u>27,904,906</u>	<u>41,749,647</u>
Unused Loan Facilities at Balance Date	<u>0</u>	<u>0</u>	<u>0</u>
		2016/17 Budget \$	2015/16 Actual \$

4. NET CURRENT ASSETS

Composition of Estimated Net Current Assets

CURRENT ASSETS

Cash - Unrestricted	6,889,622	4,676,917
Cash - Restricted Reserves	6,807,861	8,816,902
Receivables	5,805,986	5,854,619
Inventories	271,400	301,018
	<u>19,774,869</u>	<u>19,649,456</u>

LESS: CURRENT LIABILITIES

Trade and Other Payables	(5,067,292)	(5,289,722)
Short Term Borrowings	0	0
Long Term Borrowings	(4,431,169)	(3,749,549)
Provisions	(4,407,087)	(4,501,295)
	<u>(13,905,548)</u>	<u>(13,540,566)</u>

Unadjusted net current assets

5,869,321 **6,108,890**

Differences between the net current assets at the end of each financial year in the rate setting statement and net current assets detailed above arise from amounts which have been excluded when calculating the budget deficiency in accordance with FM Reg 32 as movements for these items have been funded within the budget estimates.

These differences are disclosed as adjustments below.

Adjustments

Less: Cash - Restricted Reserves	(6,807,861)	(8,816,902)
Less: Council Loans/Deferred Debtors	0	(37,629)
Less: Current Loans - Clubs / Institutions	(86,625)	(81,748)
Add: Current portion of Debentures	4,431,169	3,749,549
Add: Current Liabilities not expected to be cleared at End of Year	0	0
	<u>0</u>	<u>0</u>
Adjusted Net Current Assets - Surplus/(Deficit)	<u>3,406,004</u>	<u>922,160</u>

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

5. ACQUISITION OF ASSETS

The following assets are budgeted to be acquired during the year.

Asset Class	Reporting Program											2016/17 Budget Total \$	2015/16 Actual Total \$
	Governance \$	General Purpose Funding \$	Law, Order, Public Safety \$	Health \$	Education and Welfare \$	Housing \$	Community Amenities \$	Recreation and Culture \$	Transport \$	Economic Services \$	Other Property and Services \$		
<i>Property, Plant and Equipment</i>													
Land and Buildings											3,150,000	3,150,000	0
Buildings	47,000		1,280,000					480,000		15,000	1,595,846	3,417,846	11,841,559
Furniture and Equipment	737,700											737,700	420,803
Plant and Equipment								5,000			2,063,000	2,068,000	1,959,700
Meru							172,000					172,000	1,772,869
Artwork								20,000				20,000	20,000
	784,700	0	1,280,000	0	0	0	172,000	505,000	0	15,000	6,808,846	9,565,546	16,014,931
<i>Infrastructure</i>													
Roads									12,753,054			12,753,054	12,486,917
Footpaths									1,151,584			1,151,584	3,645,285
Drainage									1,453,270			1,453,270	935,899
Parks and Ovals								29,822,870				29,822,870	4,840,758
Airport									23,360,000			23,360,000	1,246,300
Other							5,250	220,000	30,000			255,250	231,000
	0	0	0	0	0	0	5,250	30,042,870	38,747,908	0	0	68,796,028	23,386,159
<i>Land Held for Resale</i>													
Land Held for Resale													
Total Acquisitions	784,700	0	1,280,000	0	0	0	177,250	30,547,870	38,747,908	15,000	6,808,846	78,361,574	39,401,090

The Capital Works Plan and Capital Replacement Plan is attached as supplementary information to this budget document.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

6. DISPOSALS OF ASSETS

The following assets are budgeted to be disposed of during the year.

<u>By Program</u>	2016/17 Budget			
	Net Book Value \$	Sale Proceeds \$	Profit \$	Loss \$
Other Property and Services	3,443,548	3,566,000	122,452	0
	257,738	207,400	0	(50,338)
	3,701,286	3,773,400	122,452	(50,338)

<u>By Class</u>	2016/17 Budget			
	Net Book Value \$	Sale Proceeds \$	Profit \$	Loss \$
Land and Buildings	3,150,000	3,150,000	0	0
	3,150,000	3,150,000	0	0
Plant and Equipment	293,548	416,000	122,452	0
	257,738	207,400	0	(50,338)
	551,286	623,400	122,452	(50,338)
	3,701,286	3,773,400	122,452	(50,338)

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

**7. INFORMATION ON BORROWINGS
Debenture Repayments**

Particulars	Principal 1-Jul-16	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments	
			2016/17 Budget \$	2015/16 Actual \$	2016/17 Budget \$	2015/16 Actual \$	2016/17 Budget \$	2015/16 Actual \$
Law, order, public safety								
NEW Animal Pound		1,250,000			1,250,000	0		
Governance								
262 Administration Upgrade	716,392		94,690	91,094	621,702	716,392	26,497	30,093
Community amenities								
Recreation and culture								
82 *Tarcoola Tennis Club	10,999		3,111	2,892	7,888	10,999	725	934
228 *Geraldton Surf Lifesaving	19,645		19,645	18,355	0	19,645	952	2,109
251 *Geraldton Hockey Association	98,382		28,242	26,572	70,140	98,382	5,399	7,069
253 *Geraldton Yacht Club SSL	44,891		10,974	10,313	33,917	44,891	2,556	3,217
257 *Geraldton Hockey Association	152,021		24,769	23,619	127,252	152,021	7,018	8,168
259 Land Acquisition - Verita Road	2,731,624		445,985	425,657	2,285,639	2,731,624	123,731	144,060
260 Aquarena Renewal	1,862,618		246,193	236,845	1,616,424	1,862,618	68,893	78,242
263 Recreation Grandstand	1,041,173		111,366	106,665	929,807	1,041,173	44,194	48,896
264 Aquarena Building Stage 2	1,665,877		178,186	170,664	1,487,691	1,665,877	70,711	78,233
268 Foreshore Stabilisation	1,095,871		107,371	104,129	988,500	1,095,871	33,039	36,282
271 QPT Airconditioning	3,250,000		284,266		2,965,734	3,250,000	92,840	
272 Multi User/Youth Precinct/Access Ramp	4,056,000		214,335		3,841,665	4,056,000	128,491	
NEW Beresford Foreshore		1,850,000			1,850,000	0		

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

7. INFORMATION ON BORROWINGS (Continued)

(a) Debenture Repayments

Movement in debentures and interest between the beginning and the end of the current financial year.

Particulars	Principal 1-Jul-16	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments	
			2016/17 Budget \$	2015/16 Actual \$	2016/17 Budget \$	2015/16 Actual \$	2016/17 Budget \$	2015/16 Actual \$
Transport								
229 SGIO Carpark	88,772		88,772	83,576	0	88,772	4,321	9,682
230 Airport Buffer Land	328,923		211,919	197,595	117,005	328,923	17,315	31,639
234 Library Land - Carpark	392,295		136,475	129,738	255,820	392,295	17,390	24,127
252 Plant Purchase 09/10	536,085		131,351	123,683	404,735	536,085	29,539	37,206
255 Plant Purchase 10/11				110,951	0	0		4,522
258 Land Acquisitions - Airport Runway Ext	789,136		128,840	122,968	660,296	789,136	35,745	41,617
261 Airport Parking	1,074,587		142,035	136,641	932,553	1,074,587	39,746	45,140
269 Airport Projects	2,757,942		270,218	262,058	2,487,724	2,757,942	83,149	91,309
270 Airport Tech Park 2	1,986,300		476,492	463,700	1,509,808	1,986,300	51,183	63,975
273 Verita Road Stage 1	1,500,000		198,953		1,301,047	1,500,000	35,539	
NEW Airport		10,000,000			10,000,000	0		
Economic services								
95 Hamlet	14,506		14,506	13,526	0	14,506	639	1,610
Other property and services								
265 Old Works Depot	832,939		89,093	85,332	743,846	832,939	35,355	39,117
266 Old Railway Building	857,927		91,766	88,644	766,161	857,927	36,416	40,290
NEW Olive Street		4,500,000			4,500,000	0		
	27,947,458	17,600,000	3,749,553	3,035,215	41,755,353	27,904,906	991,386	867,536
Loan Guarantee Fee							163,350	241,799
	0	0	0	0	0	0	163,350	241,799
	27,947,458	17,600,000	3,749,553	3,035,215	41,755,353	27,904,906	1,154,735	1,109,335

All debenture repayments will be financed by general purpose revenue.

(*) Self-supporting loans are funded by various sporting clubs and community groups.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

7. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2016/17

Particulars/Purpose	Amount Borrowed Budget	Institution	Loan Type	Term (Years)	Total Interest & Charges	Interest Rate %	Amount Used Budget	Balance Unspent \$
Animal Pound	1,250,000	WATC	P&I	10		4.0%	1,250,000	0
Beresford Foreshore	1,850,000	WATC	P&I	10		4.0%	1,850,000	0
Airport	10,000,000	WATC	P&I	20		5.0%	10,000,000	0
Olive Street	4,500,000	WATC	P&I	15		4.3%	4,500,000	0
					0		17,600,000	0

(c) Unspent Debentures

Council forecasts to have \$600,000 of unspent debentures as at 30 June 2016. It is not expected to have any unspent debenture funds as at 30 June 2017. Note: Unspent debentures as at 30 June 2016 relates to Debt Financial Instruments raised in the financial year 2015-16.

(d) Overdraft

Council has not utilised an overdraft facility during the financial year although an overdraft facility of \$750,000 with the Commonwealth Bank of Australia does exist. It is not anticipated that this facility will be required to be utilised during 2016/17.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

8. RATING INFORMATION - 2016/17 FINANCIAL YEAR

RATE TYPE	Rate in \$ (cents)	Number of Properties	Rateable Value \$	2016/17 Budgeted Rates Levied \$	2016/17 Applied Concession \$	2016/17 Budgeted Rate Revenue \$	2016/17 Budgeted Interim Rates \$	2016/17 Budgeted Back Rates \$	2016/17 Budgeted Total Revenue \$	2015/16 Actual \$
Differential general rate or general rate										
CGG Residential (Includes GRV Residential Ex-Mullewa Shire District)	11.4991	15,356	240,011,200	27,599,128	435,336	27,163,792	300,000	7,000	27,470,792	26,086,910
CGG Non Residential (Includes Ex Non Residential GRV & Non Residential GRV Ex-Mullewa Shire District)	10.9956	1,235	89,714,488	9,864,646		9,864,646	120,000	1,000	9,985,646	N/A
CGG UV (Includes Ex UV Geraldton Rural Mining & Farming General and Ex UV Mullewa Rural Mining & Agriculture)	0.7236	890	385,594,999	2,790,165		2,790,165	30,000	2,000	2,822,165	N/A
GRV Ex Mullewa District (phased out)	N/A									140,325
Non Residential GRV (phased out)	N/A									9,571,181
UV Geraldton Rural Mining & Farming General (phased out)	N/A									1,747,660
UV Mullewa Rural Mining & Agriculture (phased out)	N/A									1,071,737
Sub-Totals		17,481	715,320,687	40,253,939	435,336	39,818,603	450,000	10,000	40,278,603	38,617,813
Minimum payment	Minimum \$									
CGG Residential (Includes GRV Residential Ex-Mullewa Shire District)	1010	2,196	10,213,431	2,217,960		2,217,960			2,217,960	2,140,231
CGG Non Residential (Includes Ex Non Residential GRV & Non Residential GRV Ex-Mullewa Shire District)	1010	200	89,714,489	202,000		202,000			202,000	N/A
CGG UV (Includes Ex UV Geraldton Rural Mining & Farming General and Ex UV Mullewa Rural Mining & Agriculture)	1010	322	385,594,999	325,220		325,220			325,220	N/A
GRV Ex Mullewa District (phased out)										84,600
Non Residential GRV (phased out)										171,700
UV Geraldton Rural Mining & Farming General (phased out)										208,060
UV Mullewa Rural Mining & Agriculture (phased out)										87,720
Sub-Totals		2,718	485,522,919	2,745,180	0	2,745,180	0	0	2,745,180	2,692,311
Discounts (Note 13)									0	0
Total amount raised from general rates									43,023,783	41,310,124
Specified area rates (Note 10)									0	0
Total Rates									43,023,783	41,310,124

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

8(a). RATING INFORMATION - 2016/17 FINANCIAL YEAR (CONTINUED)

All land except exempt land in the City of Greater Geraldton is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the City of Greater Geraldton.

Based on application of the characteristics above, the City imposes differential general rates as described in the following sections, designed to meet revenue requirements to provide necessary funds for infrastructure, facilities and services across different property categories. For example, residential zoned land in Geraldton shares urban roads, footpaths, street lighting, local parks, and immediate access to urban community facilities, playing fields etc; whereas farming zoned land shares rural roads but without street lighting nor close access to urban facilities and services, and so on.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities.

OBJECTIVES AND REASONS FOR DIFFERENTIAL RATING

To provide equity in the rating of properties across the City the following rate categories have been determined for the implementation of differential rating.

Alignment of the different rating categories (residential, non-residential & rural) per Governor's Orders gazetted in relation and following the amalgamation of the Shire of Mullewa and the City of Geraldton-Greenough. This alignment is required to be finalised by 1st July 2016. Previously, there was five rating categories now there will be only three.

The nature and cost of infrastructure, facilities and services - and associated costs - differs across categories of properties. Differential rating across GRV and UV properties thus endeavours to reflect average distribution of costs across the diverse spectrum of zoning and the allowed and actual uses of properties, reflecting envisaged usage and access to infrastructure, facilities and services across the district.

Differential General Rate

CGG Residential GRV

This category will include any GRV rated property in that part of the City district (including that part of the City previously being GRV Ex Mullewa Shire District) that is used for residential purposes.

This rating category reflects the level of rating required to raise the necessary revenue for Council to operate efficiently and provide the diverse range of services and programs and associated infrastructure/facilities required for developed residential and urban areas of the designated part of the City.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

8(a). RATING INFORMATION - 2016/17 FINANCIAL YEAR (CONTINUED)

Differential General Rate (Continued)

CGG Non Residential

This category will include any GRV rated property in that part of the City district (including that part of the City previously being GRV Ex Mullewa Shire District) that is used for non residential purposes other than rural purposes.

The general objects and reasons for this differential rate on Non Residential properties is on an equitable basis raise the necessary revenue for Council to operate efficiently and provide the diverse range of services and programs and associated infrastructure/facilities required for commercial and industrial areas and related activities.

CGG UV

This category amalgamates and includes UV rated properties that were previously rated under the categories UV Geraldton Rural Mining & Farming General and UV Mullewa Rural Mining & Agriculture into one.

This rating category reflects the level of rating required to raise the necessary revenue to operate efficiently and provide a diverse range of services and programs for rural areas including infrastructure to this designated part of the municipality.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

9. CASH BACKED RESERVES

	2016/17 Budget				2015/16 Actual				2015/16 Budget			
	Opening Balance \$	Transfer to \$	Transfer (from) \$	Closing Balance \$	Opening Balance \$	Transfer to \$	Transfer (from) \$	Closing Balance \$	Opening Balance \$	Transfer to \$	Transfer (from) \$	Closing Balance \$
Mullewa Community Reserve	0			0	556,390		(556,390)	0	556,390			556,390
Mullewa Reseal Reserve	1,891,285			1,891,285	1,891,285			1,891,285	1,891,285			1,891,285
Parking Land Reserve	536,187			536,187	536,187			536,187	381,700			381,700
Unexpended Capital Works & Restricted Grants Reserve	6,389,430		(2,009,041)	4,380,389	13,833,040		(7,443,610)	6,389,430	9,105,886		(8,133,496)	972,390
	8,816,902	0	(2,009,041)	6,807,861	16,816,902	0	(8,000,000)	8,816,902	11,935,261	0	(8,133,496)	3,801,765

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Purpose of the reserve

Mullewa Community Reserve

The purpose of this reserve is to provide funding towards any projects or initiatives that support the recreational, social or cultural needs of the Mullewa Community.

Mullewa Reseal Reserve

The purpose of this reserve is to comply with clause 14.2 of the public road access agreement with the Shire of Mullewa (now the City of Greater Geraldton) and Mount Gibson Mining Ltd.

Parking Land Reserve

The purpose of this reserve is to build up funds that can be used for the acquisition of land for car parking and provision of parking facilities within the City.

Unexpended Capital Works & Restricted Grants Reserve

The purpose of this reserve is to restrict grant funds received that were unspent in the financial year including and tied contribution from the City plus unexpended capital works to be carried over to the next financial year.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

10. SPECIFIED AREA RATE - 2016/17 FINANCIAL YEAR

	Basis of Valuation	Rate in \$	Rateable Value \$	2016/17 Budgeted Specified Area Rate Revenue \$	2015/16 Actual Revenue \$
Specified Area Rate					
			0	0	0

11. SERVICE CHARGES - 2016/17 FINANCIAL YEAR

	Amount of Charge \$	2016/17 Budgeted Revenue \$	Budget Amount to be Applied to Costs \$	2015/16 Actual Revenue \$
Service Charge				
		0	0	0

The City does not have any Service Charges.

12. INTEREST CHARGES AND INSTALMENTS - RATES AND SERVICE CHARGES - 2016/17 FINANCIAL YEAR

	2016/17 Budget Revenue \$	2015/16 Actual \$
Instalment Plan Interest Earned	180,000	180,000
Unpaid Rates Interest Earned	370,000	330,000
Pensioner Deferred Interest	12,000	12,000
	562,000	522,000

**The maximum rates of interest remain:
Maximum rate on overdue money: 11%
Maximum rate on instalments: 5.5%**

INTEREST CHARGES AND INSTALMENTS

Instalment Options

Council offers three (3) payment options by which ratepayers can make their rates payments.

Option 1: Full Payment

Full amount of rates and charges including arrears, to be paid on or before 26 August 2016 or 35 days after the date of service appearing on the rate notice whichever is the later.

Option 2: Two (2) equal instalments

First instalment to be received on or before 26 August 2016 or 35 days after the date of service appearing on the rate notice whichever is later and including all arrears and half the current rates and service charges. Second instalment to be made on or before 26 October 2016.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

**12. INTEREST CHARGES AND INSTALMENTS - RATES AND SERVICE CHARGES
- 2016/17 FINANCIAL YEAR (CONT)**

Option 3: Four (4) equal instalments

First instalment to be received on or before 26 August 2016 or 35 days after the date of service appearing on the rate notice whichever is later and including all arrears and one quarter of the current rates and service charges. Second instalment to be made on or before 26 October 2016, third instalment to be made on or before 28 December 2016 and the fourth instalment to be made on or before 28 February 2017.

Interest on Instalments

Council has recognised that a number of ratepayers are taking up the option to pay their rates by instalments. This has a negative effect on Councils investment potential which in turn restricts cash flow. Council has decided to take up the option available under the Local Government Act 1995 to impose an interest rate of 5.5% on rates paid by instalment.

Instalment Fees

For ratepayers electing to pay their rates by 2 or 4 instalments, then a charge of \$10.50 per instalment is charged. For ratepayers making an arrangement with Council to pay their rates in more than 4 instalments, then a "one off" charge of \$40 is applied.

Penalty Interest on Late Payments - Rates

The Financial Management Regulations and section 6.51 of the Local Government Act 1995 prescribes that the maximum interest that can be levied on overdue rates is 11% per annum. Council has resolved to set its rate at 11%. This interest will apply after the expiry of 65 days from the date the rates notice is issued.

Penalty Interest on Late Payments - Debtors

The Financial Management Regulation and section 6.13(3) of the Local Government Act 1995 prescribes the maximum rate of interest to be imposed is 11%. Council has resolved to set its rate at 11%. This interest will apply after the expiry of 60 days from the due date.

13. PAYMENT DISCOUNTS, WAIVERS AND CONCESSIONS - 2016/17 FINANCIAL YEAR

Rate or Fee and Charge to which Discount is Granted	Type	Disc % or Amount (\$)	2016/17 Budget \$	2015/16 Actual \$	Circumstances in which Discount is Granted
			0	0	

Discounts

Council offers no discounts for the early payment of rates or any other debts to Council.

Waivers or Concessions

Concessions

CGG RESIDENTIAL GENERAL VALUATION INCREASES RELIEF

A concession will be again (final year) available to Persons owning rateable properties within the City district that:

- Were rateable on the basis of Gross Rental Valuation (GRV), and were rated under the CGG Residential differential general rate 2015-16; and
- Were subject to an increase in GRV valuation of their CGG Residential property as a consequence of the periodic (currently 3-yearly) General Valuation by the State Valuer-General which took effect from 1 July 2015; and
- Had rates imposed that were higher than the Minimum Payment for the CGG Residential GRV differential general rate.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

13. PAYMENT DISCOUNTS, WAIVERS AND CONCESSIONS - 2016/17 FINANCIAL YEAR (CONT)

The concessional system introduced in 2015-16 will still have the same applied conditions except for that the concession applied in 2015-16 was equivalent to two thirds of the rates increase directly attributed to the valuation increase - whereas, in 2016-17, the concession equivalent will be one third of the rate increase as attributed to the valuation increase in 2015-16.

The purposes of the concession are:

- To reduce the impact on overall amounts payable to the City by those owners of CGG Residential GRV-rated properties that are:
- Paying more in Rates than Minimum Payments; and
- Have experienced upward GRV revaluations resulting from a periodic (currently 3-yearly) General Valuation undertaken by Landgate on behalf of the Valuer-General, which became effective on 1st July 2015; and
- To smooth the effects of General Valuation GRV increases on residential GRV-rated properties, across the period between periodic GRV General Valuations that are undertaken on behalf of the Valuer-General.

Write Offs

Council does not offer any standard waivers or write-offs of Rates and Charges or other debts of ratepayers, unless specifically approved by Council. Individuals may approach Council for an extension of time to pay off their debt.

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

14. FEES & CHARGES REVENUE	2016/17 Budget \$	2015/16 Actual \$
Governance	14,983	14,150
General Purpose Funding	254,000	257,002
Law, Order, Public Safety	349,958	371,000
Health	57,265	52,925
Education and Welfare	55,597	205,185
Housing		
Community Amenities	9,839,234	8,769,618
Recreation and Culture	1,945,377	1,882,745
Transport	6,407,635	6,317,045
Economic Services	825,355	896,069
Other Property and Services	1,062,856	1,001,954
	<u>20,812,260</u>	<u>19,767,693</u>

15. ELECTED MEMBERS REMUNERATION	2016/17 Budget \$	2015/16 Actual \$
The following fees, expenses and allowances were paid to council members and/or the Mayor		
Meeting Fees	354,664	339,180
Mayor/Deputy Mayor Allowance	122,550	118,836
Conference Expenses	30,750	33,519
Councillor Training	20,500	19,398
Travelling Expenses	25,000	19,667
Telecommunications Allowance	52,500	52,500
	<u>605,964</u>	<u>583,100</u>

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

16. TRUST FUNDS

Funds held at balance date over which the local government has no control and which are not included in the financial statements are as follows:

Detail	Balance 1-Jul-16 \$	Estimated Amounts Received \$	Estimated Amounts Paid (\$)	Estimated Balance 30-Jun-17 \$
Public Open Spaces	3,204,423	115,451	350,000	2,969,874
Dual Usage Pathways	908,824	17,549		926,373
Subdivisions and Roads	1,638,812	147,230	340,467	1,445,575
Sundry Bonds and Contributions	603,821	907,367	974,833	536,355
	<u>6,355,880</u>	<u>1,187,597</u>	<u>1,665,300</u>	<u>5,878,177</u>

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

17. MAJOR LAND TRANSACTIONS

There are no major land transactions

18. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

Geraldton Airport

The Geraldton Airport is owned freehold by and is run as a business unit of the City of Greater Geraldton, generating aggregate revenue of approximately \$5.5m per annum.

Operating surpluses from airport operations flow to the City, and may be appropriated by Council when necessary to maintain and improve existing airport infrastructure, and provide for development of future infrastructure. Extension of the Greenough passenger terminal, to provide new Departure Lounge capacity, was completed in 2015.

Geraldton Airport is serviced by Virgin and QantasLink, providing Regular Public Transport (RPT) services on the Geraldton-Perth route. Virgin and QantasLink both provide services utilising 100-seat Fokker F100 jet aircraft.

An aircraft maintenance and service business is well established in a large hangar leased from the City. Shine Aviation and Geraldton Air Charter provide General Aviation services based at the airport, servicing the Abrolhos Islands, FIFO mining workforce logistics, and general charter operations.

Budget 2016/2017:

Operating Revenue: \$ 5,413,468

Operating Expenses: \$ 3,878,383

Meru Waste Disposal Facility

The Meru landfill facility was established to provide a regional approach to Waste Management in the Midwest.

The vision of City of Greater Geraldton is to lead the community to an improved level of sustainability – to encourage waste avoidance, maximise the recovery of materials and provide efficient, yet cost effective, waste management and resource recovery services to the region. These objectives are achievable by actively engaging the community in sustainable waste practices, by supporting and promoting waste minimisation principles and implementing the objectives of the various Strategic documents.

The 2015/16 financial year saw many changes in the delivery of waste services designed to improve operational efficiencies while maintaining effectiveness. As part of the 2015/16 restructures, the waste function will be moved into the Development and Community Services Department and merged into an existing branch. In preparation for this move, officers have outsourced the traditional sanitation services and are presently reviewing the operation of the recycling shop and the landfill weighbridge. Some of the operational initiatives include the installation of CCTV cameras on the site, installation of additional groundwater monitoring bores and a water source bores for firefighting and dust suppression. 5,000 ton of scrap metal was also sold via public notice. The construction of cell 5 has also commenced with the soil from this new cell being used as night cover on the active cells.

2016/17 will see a review of the current waste strategy. In preparation for this work, preliminary investigations have been completed on shredding waste, verge side collection and providing a separate organic or recycling bin to residents. This work will be finalised in 2016/17. The review will look at all aspects of the current waste operation. The current tender over the recycling shop has expired and will be recalled early in 2016/17.

Budget 2016/2017:

Operating Revenue: \$ 4,197,847

Operating Expenses: \$ 3,486,406

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

19. INTERESTS IN JOINT ARRANGEMENTS

Nil

20. SANITATION SERVICES

Charges for 2016/17

<u>Sanitation Charges</u>	\$
Standard Domestic rubbish service	274.00
Standard Commercial rubbish service	328.00
Commercial 1.5m ³ bin Mullewa District	2,100.00
Commercial 3m ³ bin Mullewa District	4,032.00
Commercial Tip Charge Mullewa District	1,310.00
<u>Effluent Scheme Charges Mullewa District</u>	\$
Commercial Premises Small (2 units)	640.00
Commercial Premises Medium (3 units)	960.00
Commercial Premises Large	1,280.00
Residential Premises (1 unit)	320.00

21. CARRY OVER RESTRICTED ASSET EXPENDITURE

Due to the date of budget preparation carry over and restricted asset details are based on actual data available at the date of budget preparation and are subject to change.

22. SCHEDULE OF FEES AND CHARGES

See attached schedule

23. SCHEDULE OF CAPITAL WORKS

See attached schedule