



2013/14 BUDGET FOR RE-ADOPTION

**CITY OF GREATER GERALDTON
BUDGET
FOR THE YEAR ENDING 30 JUNE 2014**

Table of contents

STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE	3
STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM.....	4
STATEMENT OF CASH FLOWS.....	5
RATE SETTING STATEMENT	6
7. NET CURRENT ASSETS	7
8. RATING INFORMATION	8
15. NOTES TO THE CASH FLOW STATEMENT	10

CITY OF GREATER GERALDTON
STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE
FOR THE YEAR ENDING 30TH JUNE 2014

STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE FOR THE YEAR ENDED 30TH JUNE 2014				
	NOTE	2013/14 Budget \$	2012/13 Estimate/Actual \$	2012/13 Budget \$
REVENUES FROM ORDINARY ACTIVITIES				
Rates	8	37,769,413	36,963,892	36,944,532
Operating Grants, Subsidies & Contributions		9,369,894	11,622,826	10,778,519
Fees and Charges	11	17,417,497	16,925,081	15,770,073
Interest Earnings	2(a)	1,758,513	2,109,060	2,027,154
Other Revenue		2,029,625	1,353,083	1,542,482
		68,344,942	68,973,942	67,062,760
EXPENSES FROM ORDINARY ACTIVITIES				
Employee Costs		(28,595,045)	(27,205,278)	(26,499,043)
Materials and Contracts		(20,813,074)	(19,670,740)	(39,702,325)
Utility Charges		(3,185,325)	(2,943,122)	(2,963,400)
Depreciation on Non-Current Assets	2(a)	(18,042,064)	(18,017,690)	(14,574,109)
Interest Expenses	2(a)	(842,202)	(748,344)	(1,275,876)
Insurance Expenses		(971,360)	(905,970)	(704,945)
Other Expenditure		(1,944,805)	(2,332,468)	(2,545,342)
		(74,393,875)	(71,823,612)	(88,265,040)
		(6,048,933)	(2,849,670)	(21,202,280)
Non-Operating Grants, Subsidies & Contributions		26,300,376	11,428,077	18,067,083
Profit on Asset Disposals	4	578,807	406,594	6,594
Loss on Asset Disposals	4	(209,720)	(40,000)	(40,000)
Land Held For Resale - Proceeds of Sale		700,000	-	-
Land Held For Resale (Acquisition/Development Costs)		(14,891,646)	-	-
		12,477,817	11,794,671	18,033,677
NET RESULT				
Other Comprehensive Income				
TOTAL COMPREHENSIVE INCOME		6,428,884	8,945,001	(3,168,603)

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

Please note, other comprehensive income (if any) is impacted upon by external forces and is not able to be reliably estimated.

It is anticipated in all instances, any other comprehensive income will relate to non-cash transactions and as such, have no impact on this budget document.

CITY OF GREATER GERALDTON
STATEMENT OF COMPREHENSIVE INCOME BY PROGRAM
FOR THE YEAR ENDING 30TH JUNE 2014

	2013/14	2012/13	2012/13
	Budget	Estimate/Actual	Budget
	\$	\$	\$
OPERATING REVENUES (Refer Notes 1,2,8 to 13)			
General Purpose Funding	46,583,042	45,111,254	42,426,598
Governance	418,550	720,988	301,000
Law , Order, Public Safety	486,670	486,387	447,887
Health	343,885	449,700	482,000
Education and Welfare	914,506	1,514,680	1,718,719
Housing	17,100	10,144	10,000
Community Amenities	8,704,366	8,225,028	7,745,239
Recreation and Culture	2,249,308	2,553,064	1,928,309
Transport	5,788,300	5,621,935	5,485,000
Economic Services	1,540,875	1,226,175	1,161,175
Other Property and Services	1,998,878	3,054,587	5,356,833
	69,045,480	68,973,942	67,062,760
OPERATING EXPENSES (Refer Notes 1,2 & 14)			
General Purpose Funding	(767,909)	(604,277)	(478,132)
Governance	(13,222,956)	(12,602,616)	(12,125,848)
Law , Order, Public Safety	(1,240,540)	(926,473)	(910,430)
Health	(537,675)	(790,312)	(510,969)
Education and Welfare	(2,004,005)	(2,104,539)	(2,263,046)
Housing	(112,204)	(134,059)	(134,059)
Community Amenities	(8,417,650)	(6,598,999)	(7,257,656)
Recreation & Culture	(11,816,619)	(10,881,710)	(10,804,723)
Transport	(22,116,814)	(21,141,441)	(18,321,751)
Economic Services	(3,832,518)	(4,174,741)	(3,458,347)
Other Property and Services	(24,374,967)	(11,116,101)	(30,724,203)
	(88,443,857)	(71,075,268)	(86,989,164)
BORROWING COSTS EXPENSE (Refer Notes 2 & 5)			
General Purpose Funding	-	-	-
Governance	(37,424)	(9,861)	(55,970)
Law , Order, Public Safety	-	-	(76,171)
Community Amenities	-	-	(8,807)
Recreation & Culture	(361,016)	(307,538)	(383,957)
Transport	(430,410)	(426,795)	(378,163)
Economic Services	(3,361)	(4,150)	-
Other Property & Services	(9,991)	-	(372,808)
	(842,202)	(748,344)	(1,275,876)
GRANTS/CONTRIBUTIONS FOR THE DEVELOPMENT OF ASSETS			
General Purpose Funding	2,500,000	959,460	2,671,092
Governance	-	-	550,927
Community Amenities	45,000	-	0
Recreation & Culture	3,795,822	2,491,320	11,106,397
Transport	17,454,954	7,977,297	3,558,667
Economic Services	-	-	180,000
Other Property & Services	2,504,600	-	-
	26,300,376	11,428,077	18,067,083
PROFIT/(LOSS) ON DISPOSAL OF ASSETS (Refer Note 4)			
Governance	-	-	-
Transport	-	-	-
Other Property & Services	369,087	366,594	(33,406)
	369,087	366,594	(33,406)
NET RESULT	6,428,884	8,945,001	(3,168,603)
Other Comprehensive Income	-	-	-
TOTAL COMPREHENSIVE INCOME	6,428,884	8,945,001	(3,168,603)

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

**CITY OF GREATER GERALDTON
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 30TH JUNE 2014**

	NOTE	2013/14 Budget	2012/13 Estimate/Actual	2012/13 Budget
		\$	\$	\$
Cash Flows From Operating Activities				
Receipts				
Rates		37,734,072	37,228,336	36,944,532
Grants and Subsidies - operating		9,369,894	11,622,826	9,156,019
Contributions, Reimbursements & Donations				1,622,500
Fees and Charges		17,417,497	16,925,081	15,770,073
Interest Earnings		1,758,513	2,109,060	2,027,154
Goods and Services Tax		615,000	300,000	425,000
Proceeds from Land Held For Resale		700,000		
Other		2,029,625	1,416,459	1,542,482
		69,624,601	69,601,762	67,487,760
Payments				
Employee Costs		(28,586,297)	(27,182,287)	(26,499,043)
Materials and Contracts		(35,457,664)	(19,818,567)	(39,702,325)
Utilities Charges		(3,185,325)	(2,943,122)	(2,963,400)
Insurance		(971,360)	(905,970)	(704,945)
Interest		(842,202)	(748,344)	(1,275,876)
Goods and Services Tax		(180,000)	(150,000)	0
Other		(1,944,805)	(2,332,468)	(2,545,342)
		(71,167,653)	(54,080,758)	(73,690,931)
Net Cash Provided By Operating Activities	15(b)	(1,543,052)	15,521,004	(6,203,171)
Cash Flows from Investing Activities				
Payments for Purchase of Assets	3	(12,334,822)	(10,648,275)	(15,603,401)
Payments for Construction of Infrastructure	3	(52,480,860)	(23,229,059)	(31,654,964)
Proceed from Council Loans				92,789
Grants/Contributions for the Development of Assets		26,300,376	12,084,288	18,067,083
Proceeds from Sale of Assets	4	3,885,000	1,371,912	2,226,912
Net Cash Used in Investing Activities		(34,630,306)	(20,421,134)	(26,871,581)
Cash Flows from Financing Activities				
Repayment of Debentures	5	(3,089,287)	(2,974,608)	(3,274,584)
Repayment of Finance Leases				0
Proceeds from Self Supporting Loans		92,124	87,045	66,566
Proceeds from New Debentures	5	21,030,000	5,100,000	29,993,000
Net Cash Provided By (Used In) Financing Activities		18,032,837	2,212,437	26,784,982
Net Increase (Decrease) in Cash Held		(18,140,521)	(2,687,693)	(6,289,770)
Cash at Beginning of Year		29,669,307	32,357,000	29,048,161
Cash and Cash Equivalents at the End of the Year	15(a)	11,528,786	29,669,307	22,758,391

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

CITY OF GREATER GERALDTON
RATE SETTING STATEMENT
FOR THE YEAR ENDING 30TH JUNE 2014

	NOTE	2013/14	2012/13	2012/13	
		Budget	Estimate/Actual	Budget	
		\$	\$	\$	
REVENUES	1,2				
Grants, Subsidies and Contributions		35,670,270	23,050,903	28,845,602	
Fees and Charges		17,417,497	16,925,081	15,770,073	
Interest Earnings		1,758,513	2,109,060	2,027,154	
Other Revenue		2,029,625	1,353,083	1,542,482	
Profit on Disposal of Assets		578,807	406,594	6,594	
Land Held For Resale - Proceeds of Sale		700,000	-	-	
		58,154,712	43,844,721	48,191,905	
EXPENSES	1,2				
Employees Costs		(28,595,045)	(27,205,278)	(26,499,043)	
Materials & Contractors		(20,813,074)	(19,670,740)	(39,702,325)	
Utility Charges		(3,185,325)	(2,943,122)	(2,963,400)	
Depreciation on Non-Current Assets		(18,042,064)	(18,017,690)	(14,574,109)	
Interest Expenses		(842,202)	(748,344)	(1,275,876)	
Insurance Expenses		(971,360)	(905,970)	(704,945)	
Other Expenditure		(1,944,805)	(2,332,468)	(2,545,342)	
Loss on Disposal of Assets		(209,720)	(40,000)	(40,000)	
Land Held For Resale (Acquisition/Development Costs)		(14,891,624)	-	-	
		(89,495,219)	(71,863,612)	(88,305,040)	
Net Operating Result Excluding Rates		(31,340,507)	(28,018,891)	(40,113,135)	
Adjustments for Cash Budget Requirements:					
Non-Cash Expenditure and Revenue					
(Profit)/Loss on Asset Disposals	4	(369,087)	(366,594)	33,406	
Depreciation on Assets	2(a)	18,042,064	18,017,690	14,574,109	
Prior Year Adjustments					
Movement in Deferred Pensioner Rates					
Movement in Employee Benefit Provision					
Capital Expenditure and Revenue					
Purchase Land Held for Resale	3				
Purchase Land and Buildings	3	(9,074,322)	(7,676,644)	(11,218,926)	
Purchase Plant and Equipment	3	(2,557,000)	(2,594,346)	(3,232,225)	
Purchase Furniture and Equipment	3	(683,500)	(357,285)	(1,152,250)	
Purchase Other Property, Plant and Equipment	3	(20,000)	(20,000)	-	
Purchase Infrastructure Assets - Roads	3	(39,532,725)	(12,826,413)	(22,891,964)	
Purchase Infrastructure Assets - Parks	3	(4,026,000)	(5,788,914)	(8,763,000)	
Purchase Infrastructure Assets - Other	3	(8,922,135)	(4,613,732)	-	
Self-Supporting / Council Loans paid out		-	-	(70,000)	
Proceeds from Disposal of Assets	4	3,885,000	811,912	2,226,912	
Proceeds from Sale of Inventory		-	-	-	
Repayment of Debentures	5	(3,089,287)	(2,974,608)	(3,274,584)	
Proceeds from New Debentures	5	21,030,000	5,100,000	29,993,000	
Self-Supporting Loan Principal Income		92,124	87,045	66,566	
Council Loan Principal Income		-	656,211	92,789	
Trust Transfers to Restriction		-	-	-	
Trust Transfers from Restriction		-	-	-	
Transfers to Reserves (Restricted Assets)	6	(448,000)	(9,561,998)	(9,039,710)	
Transfers from Reserves (Restricted Assets)	6	21,974,639	13,855,563	16,674,386	
Estimated Surplus/(Deficit) July 1 B/Fwd	7	(3,096,112)	(3,789,000)	(72,701)	
Estimated Surplus/(Deficit) June 30 C/Fwd	7	(365,435)	(3,096,112)	777,205	
Amount Required to be Raised from Rates	8	(37,769,413)	(36,963,892)	(36,944,532)	

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 ENDING 30TH JUNE 2014

7. NET CURRENT ASSETS

	2013/14 Budget	2012/13 Estimate/Actual	2012/13 Budget	
	\$	\$	\$	
CURRENT ASSETS				
Cash - Unrestricted	5,590,251	2,204,132	(323,684)	note 15a
Cash - Restricted	5,938,535	27,465,174	23,082,075	note 15a
Receivables	2,099,783	2,961,206	1,691,990	
Inventories	835,211	338,344	250,992	
	14,463,780	32,968,856	24,701,373	
LESS: CURRENT LIABILITIES				
Payables and Provisions	(8,890,680)	(8,599,794)	(842,093)	
NET CURRENT ASSET POSITION	5,573,100	24,369,062	23,859,280	
Less: Cash - Restricted	(5,938,535)	(27,465,174)	(23,082,075)	
ESTIMATED SURPLUS/(DEFICIENCY) C/FWD	(365,435)	(3,096,112)	777,205	

Estimated actual carried forward position for 2012-13 (and 2013-14 budget) based on industry standards calculation and as per advice received in properly presenting this position.

CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30TH JUNE 2014

8. RATING INFORMATION

RATE TYPE	Rate in \$ (cents)	Number of Properties	Rateable Value \$	2013/14 Budgeted Rate Revenue \$	2013/14 Budgeted Interim Rates \$	2013/14 Budgeted Back Rates \$	2013/14 Budgeted Total Revenue \$	Rate in \$ (cents)	Number of Properties	Rateable Value \$	2012/13 Budgeted Rate Revenue \$	2012/13 Budgeted Interim Rates \$	2012/13 Budgeted Back Rates \$	2012/13 Budgeted Total Revenue \$
Differential General Rate														
Vacant Residential	18.1151	1,356	12,467,270	2,258,458	60,000	0	2,318,458	17.6647	887	10,431,562	1,842,704	60,000	0	1,902,704
Residential	10.4835	13,374	202,810,030	21,261,592	190,000	20,000	21,471,592	10.2228	13,125	199,162,798	20,360,015	190,000	20,000	20,570,015
Non Residential	10.5594	1,251	79,983,555	8,445,784	101,683	20,000	8,567,467	10.2968	1,234	77,917,059	8,022,964	100,000	20,000	8,142,964
Geraldton Rural, Mining & Farming	0.6552	638	233,358,000	1,528,962			1,528,962							
Agricultural General							-	0.6389	639	239,129,056	1,527,796	-	-	1,527,796
Mining Tenements							-	-	-	-	-	-	-	0
UV Urban							-	-	-	-	-	-	-	0
Ex-Mullewa Shire District	11.0172	152	1,265,764	139,452			139,452							
GRV Mullewa Townsite							-	10.7432	195	1,484,524	159,485	-	-	159,485
GRV Pindar Townsite							-	13.8362	4	18,460	2,554	-	-	2,554
Mullewa UV Agriculture	0.8100	225	142,252,500	1,152,245			1,152,245	0.8974	259	150,819,000	1,353,450	-	-	1,353,450
UV Mining							0	22.7136	29	421,316	95,696	-	-	95,696
Sub-Totals		16,996	672,137,119	34,786,492	351,683	40,000	35,178,175		16,372	679,383,775	33,364,663	350,000	40,000	33,754,663
Minimum Rates	Minimum \$							Minimum \$						
Vacant Residential	769	1,317	4,335,575	1,012,773			1,012,773	955	1,832	6,817,053	1,749,560			1,749,560
Residential	979	838	6,992,751	820,402			820,402	955	846	7,034,537	807,930			807,930
Non Residential	979	214	1,191,433	209,506			209,506	955	230	1,179,732	219,650			219,650
Geraldton Rural, Mining & Farming	979	135	11,255,703	132,165			132,165							
Agricultural General							0	955	122	11,099,644	116,510			116,510
Mullewa Shire District	628	144	286,333	90,432			90,432							
GRV Mullewa Townsite							0	384	83	49,693	31,872			31,872
GRV Pindar Townsite							0	104	16	1,515	1,664			1,664
Mullewa UV Agriculture	683	107	2,531,374	73,081			73,081	288	37	371,436	10,656			10,656
UV Mining							0	345	19	13,615	6,555			6,555
Concessions														
Sub-Totals		2,755	26,593,169	2,338,359	-	-	2,338,359		3,185	26,567,225	2,944,397	-	-	2,944,397
Ex-Gratia Rates							37,516,534							36,699,060
Specified Area Rates (Note 9)							107,363							105,000
							145,516							140,472
							37,769,413							36,944,532
Discounts														
Totals							37,769,413							36,944,532

8. RATING INFORMATION (CONTINUED)

**CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30TH JUNE 2014**

All land except exempt land in the City is rated according to its Gross Rental Value (GRV) in town sites or Unimproved Value (UV) in the rural regions of the City.

The general rates detailed above for the 2013/14 financial year have been determined on the basis of raising 2.25% more rate revenue over 2012/13 revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue expected to be raised from all sources other than rates.

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.

The 2013-14 Budget proposes increases in aggregate rates revenue collections of 2.25% relative to 2012-13. Rates in the Dollar and Minimum Payments have been calculated accordingly, to be applied as appropriate to Gross Rental Valuation (GRV) and Unimproved Value (UV) property valuations that apply from 1 July 2013.

See attached Budget Principals and Rating Document 2013/14 for detailed rating information.

CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30TH JUNE 2014

15. NOTES TO THE CASH FLOW STATEMENT

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

	2013/14	2012/13	2012-13
	Budget	Estimate/Actual	Budget
	\$	\$	\$
Cash - Unrestricted	5,590,251	2,204,132	(323,684)
Cash - Restricted	5,938,535	27,465,175	23,082,075
	11,528,786	29,669,307	22,758,391
The following restrictions have been imposed by regulation or other externally imposed requirements:			
Airport Reserve		2,568,500	816,438
Asset Development (Capital Works Program) Reserve		2,857,354	1,203,976
Asset Renewal Fund Reserve		272,216	649,866
Effluent Scheme Reserve		58,019	33,019
Employee Leave Entitlements Reserve		291,946	426,946
Family Day Care - Reserve		8,630	8,630
Meat Inspection Reserve		45,964	45,964
Meru Waste Disposal Site Reserve		2,685,000	703,581
Meru Waste Rehabilitation Reserve		420,789	670,789
Mullewa Community Reserve	447,641	516,641	415,792
Mullewa Reseal Reserve	1,891,285	1,691,285	1,691,288
Mullewa Medical Centre Reserve		68,006	55,900
Olive Street Redevelopment Reserve		0	0
Parking Land Reserve	289,966	381,966	550,654
Plant Replacement Reserve		145,695	144,769
Risk Management Reserve		457,227	403,475
Rubbish Tip (Flores Rd) Reserve		641,844	679,105
Strategic Initiatives Reserve		43,480	109,679
Unexpended Capital Works & Restricted Grant Reserve	3,309,643	14,310,612	13,638,571
Mullewa Community and Reseal Restricted	0	0	
Restricted Assets			833,633
	5,938,535	27,465,174	23,082,075

CITY OF GREATER GERALDTON
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDING 30TH JUNE 2014

15. NOTES TO THE CASH FLOW STATEMENT (Continued)

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

	2013/14	2012/13	2012/13	
	Budget	Estimate/Actual	Budget	
	\$	\$	\$	
Net Result	6,428,884	8,945,001	(3,168,603)	
Amortisation				
Depreciation	18,042,064	18,017,690	14,574,109	
(Profit)/Loss on Sale of Asset	(369,087)	(366,594)	(33,406)	
(Increase)/Decrease in Receivables	861,443	782,794	218,145	
(Increase)/Decrease in Inventories	(496,868)	(13,344)	(15,223)	
Increase/(Decrease) in Payables	(338,880)	(67,045)	(78,364)	
Increase/(Decrease) in Employee Provisions	629,768	210,579	367,254	
Previous years adjustments		(560,000)	-	
Grants/Contributions for the Development of Assets	(26,300,376)	(11,428,077)	(18,067,083)	
Net Cash from Operating Activities	(1,543,052)	15,521,004	(6,203,171)	