

**RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2013**

	2012/13 Original Budget \$	2012/13 Revised Budget \$	2012/13 Actual \$	Variance Original to Revised \$	Variance Original to Revised %
REVENUES					
Grants, Subsidies and Contributions	28,845,602	23,776,526	6,561,039	5,069,076	-17.57%
Fees and Charges	15,770,073	16,796,081	13,282,019	-1,026,008	6.51%
Interest Earnings	2,027,154	2,059,060	1,060,408	-31,906	1.57%
Other Revenue	1,542,482	1,353,083	868,101	189,399	-12.28%
Profit on Disposal of Assets	6,594	6,594	-	0	0.00%
	48,191,905	43,991,344	21,771,567	4,200,561	-8.72%
EXPENSES					
Employees Costs	(26,499,043)	(26,587,387)	(17,619,156)	88,344	0.33%
Materials & Contractors	(39,702,325)	(36,306,969)	(11,371,275)	-3,395,356	-8.55%
Utility Charges	(2,963,400)	(2,916,827)	(1,777,663)	-46,573	-1.57%
Depreciation on Non-Current Assets	(14,574,109)	(18,064,508)	(11,985,385)	3,490,399	23.95%
Interest Expenses	(1,275,876)	(967,595)	(367,034)	-308,281	-24.16%
Insurance Expenses	(704,945)	(931,365)	(689,193)	226,420	32.12%
Other Expenditure	(2,545,342)	(2,560,268)	(1,429,800)	14,926	0.59%
Loss on Disposal of Assets	(40,000)	(40,000)	0	0	0.00%
	(88,305,040)	(88,374,919)	(45,239,506)	69,879	0.08%
Net Operating Result Excluding Rates	(40,113,135)	(44,383,575)	(23,467,939)	4,270,440	10.65%
Adjustments for Cash Budget Requirements:					
Non-Cash Expenditure and Revenue					
(Profit)/Loss on Asset Disposals	33,406	33,406	0	0	0.00%
Depreciation on Assets	14,574,109	18,064,508	11,985,385	-3,490,399	23.95%
Capital Expenditure and Revenue					
Purchase Land Held for Resale					
Purchase Land and Buildings	(11,218,926)	(14,663,022)	(5,469,798)	3,444,096	30.70%

	2012/13		2012/13		2012/13		Variance	
	Original Budget	Revised Budget	Actual	Original to Revised	Original to Revised	Original to Revised		%
	\$	\$	\$	\$	\$	\$		
Purchase Plant and Equipment	(3,232,225)	(4,484,075)	(692,315)	1,251,850	1,251,850	38.73%		
Purchase Furniture and Equipment	(1,152,250)	(609,636)	(84,435)	-542,614	-542,614	-47.09%		
Purchase Infrastructure Assets - Roads	(22,891,964)	(24,874,960)	(7,026,490)	1,982,996	1,982,996	8.66%		
Purchase Infrastructure Assets - Parks	(8,763,000)	(10,140,886)	(2,598,462)	1,377,886	1,377,886	15.72%		
Self-Supporting / Council Loans paid out	(70,000)	-	0	-70,000	-70,000	-100.00%		
Proceeds from Disposal of Assets	2,226,912	1,811,912	559,611	415,000	415,000	-18.64%		
Proceeds from Sale of Inventory								
Repayment of Debentures	(3,274,584)	(3,071,842)	(1,706,595)	-202,742	-202,742	-6.19%		
Proceeds from New Debentures	29,993,000	23,458,000	5,100,000	6,535,000	6,535,000	-21.79%		
Self-Supporting Loan Principal Income	66,566	44,435	32,346	22,131	22,131	-33.25%		
Council Loan Principal Income	92,789	656,211	659,871	-563,422	-563,422	607.21%		
Trust Transfers to Restriction								
Trust Transfers from Restriction								
Transfers to Reserves (Restricted Assets)	(9,039,710)	(9,289,710)	0	250,000	250,000	2.77%		
Transfers from Reserves (Restricted Assets)	16,674,386	31,502,632	5,514,055	-14,828,246	-14,828,246	88.93%		
Estimated Surplus/(Deficit) July 1 B/Fwd	(72,701)	(235,020)	(235,020)	162,319	162,319	223.27%		
Estimated Surplus/(Deficit) June 30 C/Fwd	842,365	782,270	19,392,672	60,095	60,095	-7.13%		
Amount Required to be Raised from Rates	(37,009,692)	(36,963,892)	(36,822,458)	-45,800	-45,800	-0.12%		

CITY OF GREATER GERALDTON
Income Statement by Nature or Type
March

	Budget 12/13	Revised Budget	YTD Budgets	YTD Actuals	Variances YTD \$	Budget to Actual %
OPERATING INCOME						
Rates	(37,009,692)	(36,963,892)	(36,873,264)	(36,822,458)	(50,806)	-0.1%
Operating Grants, Subsidies & Contributions	(10,778,519)	(9,455,449)	(4,947,487)	(5,414,635)	467,148	9.4%
Fees & Charges	(15,770,073)	(16,796,081)	(12,578,201)	(13,282,019)	703,818	5.6%
Interest Earnings	(2,027,154)	(2,059,060)	(1,244,241)	(1,060,408)	(183,833)	14.8%
Other Revenue	(1,542,482)	(1,353,083)	(844,836)	(868,101)	23,265	2.8%
	(67,127,920)	(66,627,565)	(56,488,029)	(57,447,621)	959,592	1.7%
OPERATING EXPENDITURE						
Employee Costs	26,499,043	26,587,387	20,291,852	17,619,156	2,672,696	-13.2%
Materials & Contractors	39,702,325	36,306,969	11,916,310	11,371,275	545,035	4.6%
Utilities	2,963,400	2,916,827	2,187,540	1,777,663	409,877	-18.7%
Depreciation	14,574,109	18,064,508	13,547,798	11,985,385	1,562,413	-11.5%
Interest Expenses	1,275,876	967,595	458,744	367,034	91,710	-20.0%
Insurances	704,945	931,365	758,463	689,193	69,270	9.1%
Other Expenditure	2,545,342	2,560,268	1,861,863	1,429,800	432,063	-23.2%
	88,265,040	88,334,919	51,022,570	45,239,506	5,783,064	-11.3%
Result from Operating Activities	21,137,120	21,707,354	(5,465,459)	(12,208,115)	6,742,656	123.4%
Grants & Subsidies - Non Operating	(18,067,083)	(14,331,077)	(1,704,619)	(1,146,404)	(558,215)	-32.7%
Profit on Asset Disposal	(6,594)	(6,594)	0	0	0	0.0%
Loss on Asset Disposal	40,000	40,000	0	0	0	0.0%
Net Result	3,103,443	7,409,683	(7,170,078)	(13,354,519)	6,184,441	86.3%

INFORMATION ON BORROWINGS

New Debentures - 2012/13

Particulars/Purpose		Amount Borrowed Original Budget	Amount Borrowed Revised Budget	Institution	Loan Type	Term (Years)	Interest Rate %
**	Admin Upgrade	1,000,000	1,000,000	unknown	P & I	10	3.89
**	Depot Including Dog Pound	1,800,000	1,800,000	unknown	P & I	10	3.89
**	Meru Cell 3 Excavation	2,500,000	0	unknown	P & I	10	
**	Geraldton Bowling Club	70,000	0	unknown	P & I	10	
**	Glenfield POS	880,000	880,000	unknown	P & I	10	3.89
**	Recreation Ground Development	1,500,000	1,500,000	unknown	P & I	10	3.89
**	Airport Parking	1,500,000	1,500,000	unknown	P & I	10	3.89
**	Airport Tech Park	3,828,000	3,828,000	unknown	I	Credit Facility	3.89
**	Aquarena Building	2,600,000	2,600,000	unknown	P & I	10	3.89
**	Beuarepaires Parking	250,000	250,000	unknown	P & I	5	3.89
**	Mullewa Bank Acquisition	300,000	300,000	unknown	P & I	10	3.89
**	Boyd St Development	2,000,000	0	unknown	I	Credit Facility	
**	Eastward Rd - Old Depot Site	1,500,000	1,500,000	unknown	I	Credit Facility	3.89
**	Kempton St Reserve Swap	3,765,000	1,800,000	unknown	I	Credit Facility	3.89
**	Olive St Redevelopment	6,500,000	6,500,000	unknown	I	Credit Facility	3.89
	Total	29,993,000	23,458,000				

	2012/13 Current Budget \$	2012/13 Actual to Date \$	2012/13 Budget Review \$
Cash Backed Reserves			
100 Airport Reserve			
Opening Balance	1,741,438	1,700,598.04	1,700,598
Amount Set Aside / Transfer to Reserve	1,000,000	0.00	1,000,000
Amount Used / Transfer from Reserve	-1,925,000	0.00	-1,915,000
	816,438	1,700,598.04	785,598
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	816,438	1,700,598.04	785,598
110 Asset Development (Capital Works Program) Reserve			
Opening Balance	4,921,413	5,257,354.20	5,257,354
Amount Set Aside / Transfer to Reserve	1,969,565	0.00	1,969,565
Amount Used / Transfer from Reserve	-5,687,002	-1,693,046.00	-6,948,439
	1,203,976	3,564,308.20	283,480
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	1,203,976	3,564,308.20	283,480
120 Asset Renewal Reserve			
Opening Balance	1,887,105	1,857,418.78	1,857,419
Amount Set Aside / Transfer to Reserve	2,472,920	0.00	2,472,920
Amount Used / Transfer from Reserve	-3,710,159	-1,005,609.00	-4,058,123
	649,866	851,809.78	272,216
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	649,866	851,809.78	272,216
130 Effluent Scheme Reserve			
Opening Balance	58,019	58,019.00	58,019
Amount Set Aside / Transfer to Reserve	25,000	0.00	25,000
Amount Used / Transfer from Reserve	-50,000	0.00	-50,000
	33,019	58,019.00	33,019
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	33,019	58,019.00	33,019
140 Employee Leave Entitlements Reserve			
Opening Balance	376,946	241,946.43	241,946
Amount Set Aside / Transfer to Reserve	50,000	0.00	50,000
Amount Used / Transfer from Reserve	0	0.00	0
	426,946	241,946.43	291,946
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	426,946	241,946.43	291,946
150 Family Day Care Reserve			
Opening Balance	8,630	8,629.89	8,630
Amount Set Aside / Transfer to Reserve	0	0.00	0
Amount Used / Transfer from Reserve	0	0.00	0
	8,630	8,629.89	8,630
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	8,630	8,629.89	8,630
160 Meat Inspection Reserve			
Opening Balance	45,694	45,963.88	45,964
Amount Set Aside / Transfer to Reserve	0	0.00	0
Amount Used / Transfer from Reserve	0	0.00	0
	45,694	45,963.88	45,964
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			

	45,694	45,963.88	45,964
170 Meru Waste Disposal Site Reserve			
Opening Balance	3,053,581	3,153,581.02	3,153,581
Amount Set Aside / Transfer to Reserve	500,000	0.00	750,000
Amount Used / Transfer from Reserve	-2,850,000	0.00	-1,220,000
	703,581	3,153,581.02	2,683,581
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	703,581	3,153,581.02	2,683,581
180 Meru Waste Rehabilitation Reserve			
Opening Balance	420,789	420,789.00	420,789
Amount Set Aside / Transfer to Reserve	250,000	0.00	250,000
Amount Used / Transfer from Reserve	0	0.00	0
	670,789	420,789.00	670,789
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	670,789	420,789.00	670,789
190 Mullewa Community Reserve			
Opening Balance	385,792	486,641.00	486,641
Amount Set Aside / Transfer to Reserve	100,000	0.00	100,000
Amount Used / Transfer from Reserve	-70,000	0.00	-70,000
	415,792	486,641.00	516,641
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	415,792	486,641.00	516,641
200 Mullewa Reseal Reserve			
Opening Balance	1,491,288	1,491,285.15	1,491,285
Amount Set Aside / Transfer to Reserve	200,000	0.00	200,000
Amount Used / Transfer from Reserve	0	0.00	0
	1,691,288	1,491,285.15	1,691,285
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	1,691,288	1,491,285.15	1,691,285
210 Mullewa Medical Centre Reserve			
Opening Balance	55,900	68,006.00	68,006
Amount Set Aside / Transfer to Reserve	0	0.00	0
Amount Used / Transfer from Reserve	0	0.00	0
	55,900	68,006.00	68,006
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	55,900	68,006.00	68,006
220 Olive Street Redevelopment Reserve			
Opening Balance	0	0.00	0
Amount Set Aside / Transfer to Reserve		0.00	0
Amount Used / Transfer from Reserve	0	0.00	0
	0	0.00	0
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	0	0.00	0
230 Parking Land Reserve			
Opening Balance	410,654	239,649.00	239,649
Amount Set Aside / Transfer to Reserve	140,000	0.00	140,000
Amount Used / Transfer from Reserve	0	0.00	0
	550,654	239,649.00	379,649
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment			
	550,654	239,649.00	379,649
240 Plant Replacement Reserve			
Opening Balance	194,769	145,695.14	145,695

Amount Set Aside / Transfer to Reserve	2,332,225	0.00	2,332,225
Amount Used / Transfer from Reserve	-2,382,225	0.00	-2,382,225
	144,769	145,695.14	145,695
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment	144,769	145,695.14	145,695
250 Risk Management Reserve			
Opening Balance	403,475	457,227.00	457,227
Amount Set Aside / Transfer to Reserve	0	0.00	0
Amount Used / Transfer from Reserve	0	0.00	0
	403,475	457,227.00	457,227
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment	403,475	457,227.00	457,227
260 Rubbish Tip (Flores Rd) Reserve			
Opening Balance	679,105	641,844.18	641,844
Amount Set Aside / Transfer to Reserve	0	0.00	0
Amount Used / Transfer from Reserve	0	0.00	0
	679,105	641,844.18	641,844
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment	679,105	641,844.18	641,844
270 Strategic Initiatives Reserve			
Opening Balance	109,679	43,480.24	43,480
Amount Set Aside / Transfer to Reserve	0	0.00	0
Amount Used / Transfer from Reserve	0	0.00	0
	109,679	43,480.24	43,480
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment	109,679	43,480.24	43,480
280 Unexpended Capital Works & Restricted Grant Reserve			
Opening Balance	13,638,571	15,440,612.39	15,440,612
Amount Set Aside / Transfer to Reserve	0	0.00	0
Amount Used / Transfer from Reserve	0	-2,815,400.00	-14,913,845
	13,638,571	12,625,212.39	526,767
Interest Received / Transfer to Reserve			
Lehman Brothers Fair Value Adjustment	13,638,571	12,625,212.39	526,767
Total Cash Backed Reserves	22,248,172	26,244,685.34	9,545,818
Amount Set Aside / Transfer to Reserve	9,039,710	0.00	9,289,710
Amount Used / Transfer from Reserve	-16,674,386	-5,514,055.00	-31,502,632
Net Transfer	-7,634,676	-5,514,055.00	-22,212,922

