



2016/17

Annual Budget

*Creating a nationally significant friendly city
that people are proud to call home*

Building a unified and vibrant community

Supporting a diverse economy

Balancing our build and natural environment

Leading our community

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Message from the Acting Mayor

On behalf of Council I am pleased to present the Town of Port Hedland Annual Budget for the 2016-17 financial year.

This is a conservative \$94.7 million balanced budget that seeks to achieve operational efficiencies while still maintaining a consistent level of service for our community. We are delivering on our four key priorities identified in our Strategic Community Plan:

- Building a unified and vibrant community
- Supporting a diverse economy
- Balancing our built and natural environment
- Leading our community



We committed to deliver rate relief for our community and that's what we have done. When developing the 2016-17 Budget Council was very aware of the current economic climate and changed conditions for ratepayers. Council has delivered a five per cent rate reduction for residential, commercial, industrial and pastoral categories. Rating concessions have also been provided for pensioners and local community and grassroots organisations. Our total rate revenue (\$23.6 million) has reduced by 6% from 2015-16.

We continue to invest in our assets to ensure they are here for our future generation and commit to capital projects where we are successful in leveraging grant funding and external support. This year we will invest \$21.4 million in capital including investment into our roads and drainage network (\$7.54 million), waste facilities (\$2.48 million), upgrades to existing facilities such as South Hedland Aquatic Centre, Faye Gladstone Netball Court clubrooms and Matt Dann Theatre and Cinema, and purchasing new generators to ensure our services can continue during an emergency event or natural disaster. We also have allocated \$2 million to the Spoilbank Marina Waterfront development to see the planning for the project come to fruition and develop our amazing waterfront.

During last financial year, the Town of Port Hedland entered a 50-year lease agreement for the Port Hedland International Airport. This saw a \$165 million upfront payment to the Town and when invested strategically will see a significant windfall for our community. However this has meant that the revenue the Town formerly received from the airport has to be accommodated elsewhere and we continue to be diligent to look for efficiencies and savings through business system reviews whilst balancing that with understanding and meeting our community's needs and aspirations.

Highlights of the Budget this year include:

- Spoilbank Marina Waterfront development \$2 million
- Pinga Street road and drainage works \$2.55 million (\$1.6 million contribution)
- Waste management projects \$2.48 million
- South Hedland Aquatic Centre works \$1.74 million
- Road reseals \$1.25 million
- South Hedland Town Centre upgrade and landscaping \$1.2 million
- Faye Gladstone Netball Courts clubroom upgrade \$1.2 million (fully grant funded)
- Diesel generators for business service continuity \$180,000
- Marrapikurinya Park rebuild \$450,000 (\$216,000 grant)
- Matt Dann Theatre and Cinema improvement \$531,000 (\$265,000 grant)
- Colin Matheson and Kevin Scott Oval scoreboards \$268,000
- Marquee Park upgrade \$300,000
- CCTV night vision upgrade \$319,000 (fully grant funded)

With this Budget, Council continues to strive to create a nationally significant friendly city that people are proud to call home.

Camilo Blanco
Acting Mayor

Message from the Acting Chief Executive Officer

This year's balanced budget sees the Town of Port Hedland delivering on its commitment to achieve operational efficiencies, provide reductions in rates and fees and charges as well as continued service delivery for our community.

Council have endorsed significant rate concessions and waivers for not-for-profit community organisations totally \$167,000. Funding of \$180,000 has been allocated through our community grants program to assist grassroots community organisations. On top of this our total lease charges from community groups has been deliberately reduced by Council by \$18,000 to reflect their reduced capacity to contribute at the moment.

We started Budget deliberations with a commitment to find operational savings. This Budget sees a reduction in employee costs by over 10%, plus an ongoing responsibility to look at the way we do our business and identify efficiencies.

The majority of our fees and charges have remained static, with reductions in some areas such as facility bookings for community groups and swimming pool inspections.

We have closed the 2015-16 financial year with a \$3.7 million municipal surplus based on sound financial management.

Key figures for the 2016-17 budget include:

• Overall budget	\$94.7 million
• Capital investment proposed	\$21.4 million
• Net assets (at 30 June 2016)	\$635 million
• Interest earnings forecast	\$7.39 million
• Cash reserves (at 30 June 2017)	\$220 million (\$162 million in the airport long term lease proceeds reserve)
• Net debt (forecast at 30 June 2017)	\$21.6 million
• Rates revenue	\$23.6 million

I look forward to working with you as we implement the 2016-17 Town of Port Hedland Annual Budget.

Chris Linnell
Acting Chief Executive Officer



Port Hedland snapshot

Port Hedland is a dynamic town in Western Australia's beautiful North West located approximately 1,800km north of Perth. We are home to around 18,000 people from diverse cultural backgrounds and we cover 11,844 square kilometres of the Pilbara region. Our original inhabitants, the Karriyarra people, call the place Marapikurrinya for the hand shaped formation of the tidal creeks coming off the natural harbour.

Our population is subject to significant fluctuation largely driven by prevailing economic conditions particularly relative to the resources sector. Our community also plays host to a substantial FIFO population, which is generally not captured accurately or at all in formal census data, despite having a significant impact on services, infrastructure, and housing affordability.

According to the most recent census data (2011), there were 15,832 estimated resident population in Port Hedland. We estimate that to be around 18,000 given our population profile with non-residential (fly in-fly out) workforce. The majority of our population are young (21% aged between 25 and 34) with a strong multicultural background (40% born overseas, 6% Aboriginal and Torres Strait Islander).



Your Council

The Town of Port Hedland is represented by a Mayor and eight elected Councillors. The Mayor is popularly elected every four years, and councillors are elected for four year terms, with terms expiring at two year intervals.



Mayor Kelly Howlett
2014 – August 2016



Camilo Blanco, Deputy Mayor
2015-2019



Cr Jan Gillingham
2013 – 2017



Cr David Hooper
2013 – 2017



Cr Troy Melville
2013 – 2017



Cr Julie Arif
2015-2019



Cr Louise Newbery
2015-2019



Cr Richard Whitwell
2015-2019



Cr Lincoln Tavo
2016 – 2017

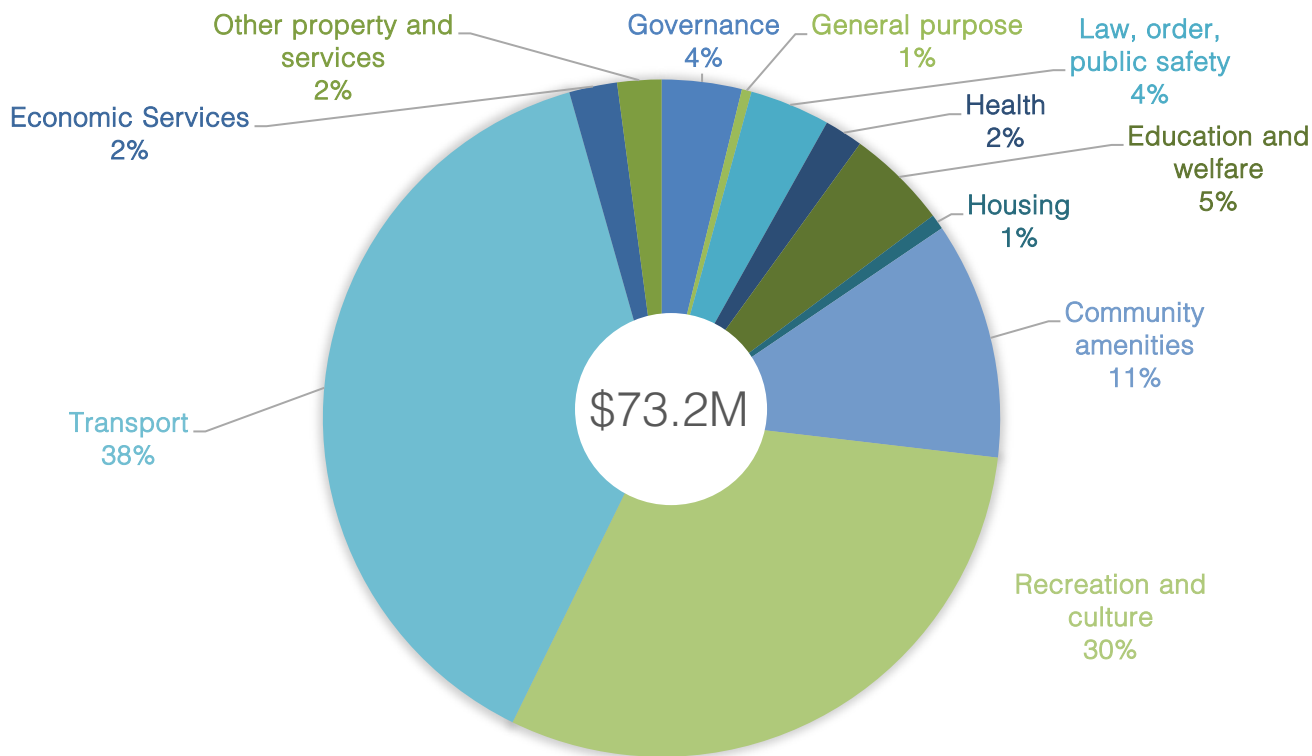
Organisational structure

Our organisation is structured to optimise our workforce resources to meet our goals and objectives. We deliver services through three directorates and the Office of the Chief Executive. Each directorate is made up of business units responsible for delivering services in line with key directions from our Strategic Community Plan and Corporate Business Plan.

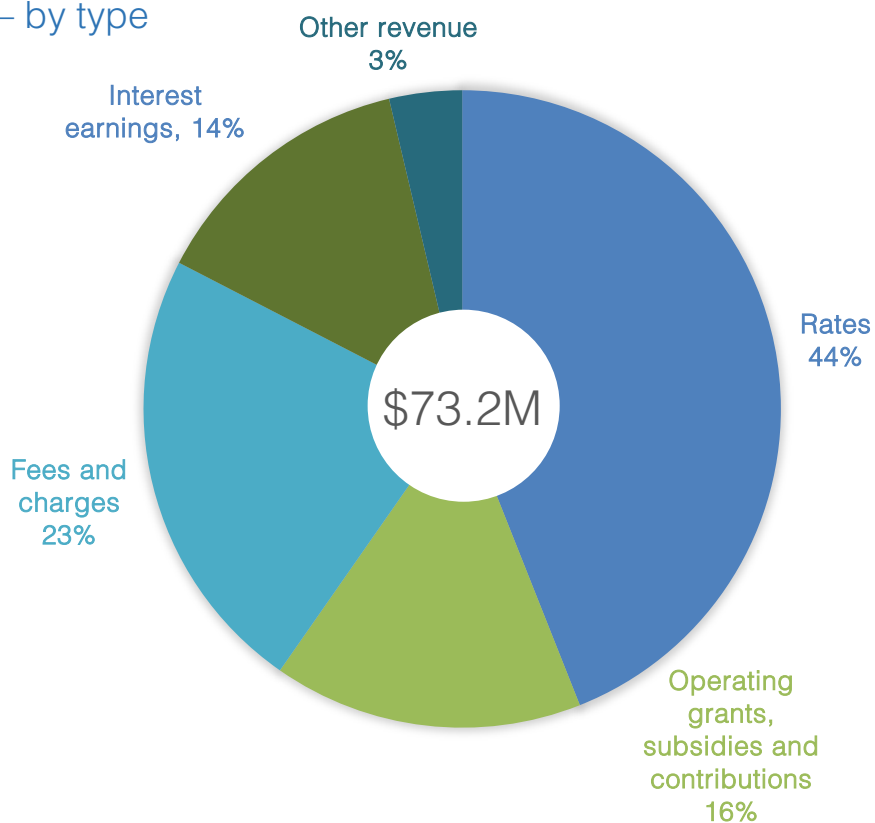


Budget snapshot

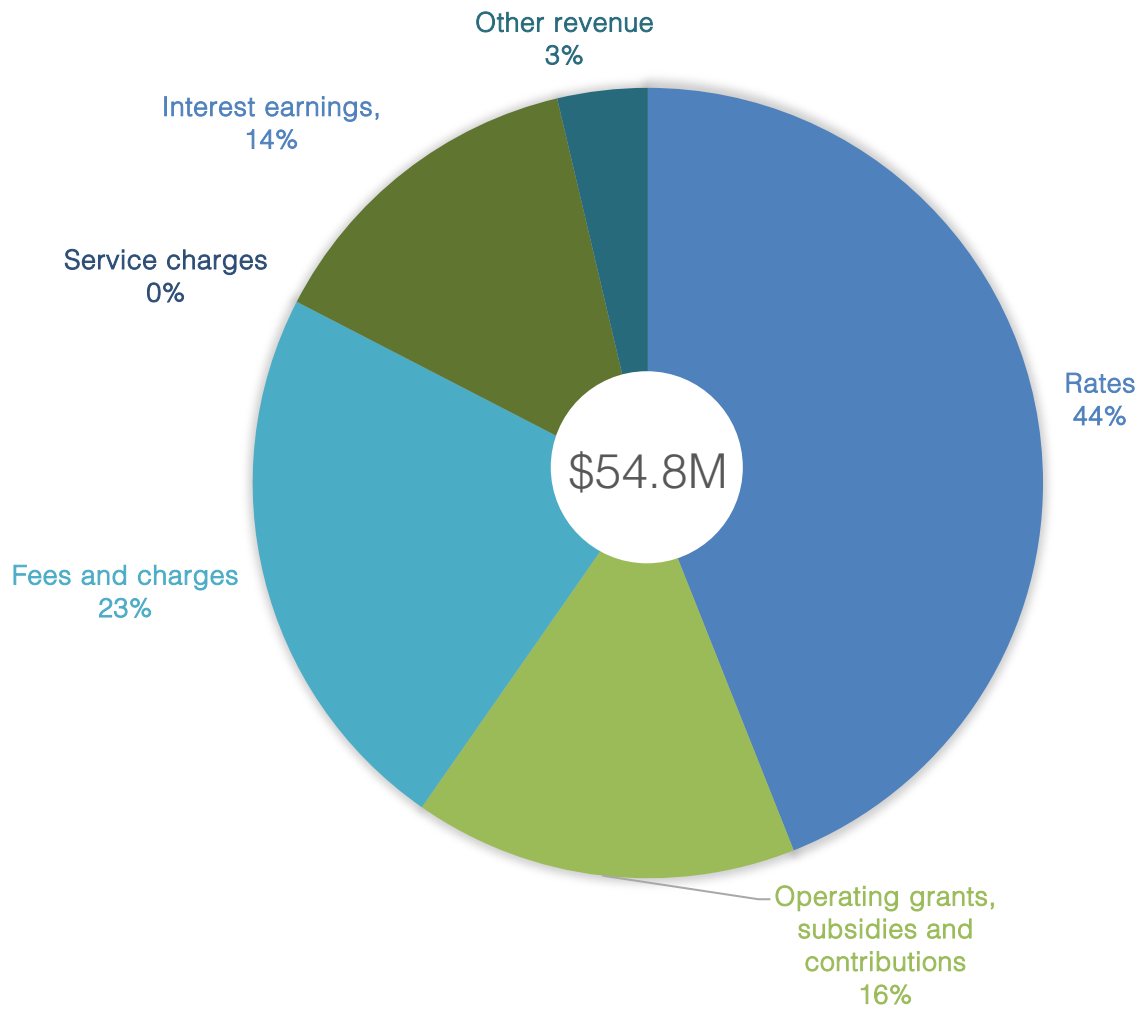
Operating expenditure – by program



Operating expenditure – by type



Operating revenue – by nature and type



Budget overview

Forecasts and assumptions

We have undertaken a basic sensitivity analysis to determine factors likely to be sensitive to variables and known major risks. These are listed and described below.

The 2016/17 budget projects total operating expenditure of \$73 million, and a capital works program of \$21 million. Whilst ideally the Budget should be structured around providing an adequate level of unrestricted working capital, and thus a healthy current ratio, this has not been achievable in the economic current climate, where the Town has shown fiscal constraint and actually reduced its own source revenues to assist provide reduced cost pressures on residents, ratepayers, families generally, as well as by community groups and local businesses affected by this downturn.

The Town has and will continue to pursue operational efficiencies in order to maintain existing service levels and the delivery of quality outcomes to the community.

The Budget provides for a 6.0% decrease in ordinary rates yield for the 2016/17 year below the 2015/16 actual yield.

In planning for the 2016/17 financial year and beyond, we have made the best possible assumptions about factors outside of the Town's control, such as inflation, population and FIFO demographics and grant funding. Our budgets are based on what we believe to be the most likely scenarios. Given the one year time-frame the sensitivity analysis risk is low in these assumptions.

To assist in understanding and interpreting this budget document, a glossary of commonly used terms has been compiled within the Budget documentation.

Fees & Charges

Many of the facilities and services provided by the Town are offered on a full or partial user pays basis. The Town's pricing principles are summarised in the Fees and Charges section of the Budget. In planning future years' budgets, we have assumed that these full or partial user pays arrangements will continue, with increases typically nil or in some instances even reduced in this year's Budget.

Grants, Contributions and Subsidies

Each year, the Town receives a Financial Assistance Grant allocation from the WA Local Government Grants Commission. This grant is made available to local governments across Australia, and represents a contribution from Federal Government of local government's share of GST revenue. Due to the Town's ability to generate own source revenue, largely based on commercial leases, the Town is likely to move towards what is known as a minimum grant Council. This means our annual Financial Assistance Grant (general purpose component) will continue to decline. Our allocation (general and roads) in 2016/17 has reduced by \$204K (10%) from 2015/16.

This has a small but continuing negative impact on the Town's annual budget, and we will continue to lobby for changes to the distribution method, so that the challenges and opportunities of delivering quality local government functions in the Pilbara are appropriately compensated.

In addition, a number of services provided by the Town to the community are only possible because of specific grant funding from State and Federal Government. In preparing future year financial plans, we have assumed that the Town will continue to receive such grants. Should the level of grants and subsidies be reduced, the Town's ability to provide the related services will be impacted.

Borrowings

Within the 2016/17 Budget, the Town does not plan to utilise any new loan funding.

Projected borrowings beyond 2016/17 are set out in the Town's Long Term Financial Plan, however the need for external loan funds at higher interest rates than compared to 'borrowing' and repaying the same funds for intergenerational projects, from the Wealth Management Fund, is now largely diminished, if not eliminated.

Employee Costs

In preparing budgets for employee costs, the Town has assumed annual increases constrained to 2.5%. We are currently in the process of negotiating a new Enterprise Bargaining Agreement (due by 30 June 2017), and that will provide a strong indication of the annual increases to be incurred into the future. This budget document does not provide for any additional permanent staff positions and indeed reflects a net reduction of 25 employees from 2015/16 (including post the Airport operations).

Other Expenditure Forecasts

In preparing expenditure forecasts, we have considered not only new expenditure items, but also the Town's ongoing commitments. This includes costs for capital and recurrent expenditure programs, and the input mix required to achieve the objectives of each of these programs, such as materials and contracts, employee costs, and other expenses. Generally speaking, the Town aims to constrain costs to a 1.0% increase year on year. However, a number of expenditure types will likely increase beyond this amount, and the Town has specifically recognised utilities and as wages, fuels as higher risk items. Conversely we are looking to achieve savings in insurance premiums, legal expenses, contractor costs and a number of other areas.

By constraining expenditure increases through continued productivity gains, and maximising revenue increases, the Town can help achieve necessary improvements in its long term financial outlook.

Risk Factors

The Town has recognised a number of key risk areas in its budget, including its commercial lease arrangements, and reliance on those revenue streams; the high dollar value of rates revenue

generated from the Mass Accommodation category, particularly as the Town trends towards a normalised accommodation mix; the value of interest earned on investments which will decline as Reserve funded projects are delivered; and its ability to continue achieving substantial dividend returns from the Airport has ceased.

Service Delivery and Service Levels

The Budget is based on maintaining existing services at current levels of service. Service levels can affect operating costs and income as well as asset maintenance costs. The Budget demonstrates that the Town's Municipal Fund is generally not in a position to introduce additional services or increase service levels above existing levels. Service levels mapping and business unit planning will be a core area for review during the year and this will need to be carefully assessed against expectations of our community, as well as demographics and population statistics, when we review the Strategic Community Plan during the year.

Inflation

Inflation assumptions are mainly applied to the cost of materials and services that are not identified as having specific factors of influence.

The average CPI (consumer price index) for Perth over the last year, based on ABS data in June 2016, is 0.5%. Pilbara CPI is generally several basis points higher than experienced in capital cities. The assumed rate in the Budget is 1.0% for the first four quarters of the plan, which represents a deliberate strategy to constrain expenditure increases through continued productivity gains.

Interest Rates

We recognise that interest rates do fluctuate; however the relative gap between interest earned on investments and interest paid on borrowings should remain steady. Interest on investments has been included at 2.70%, whilst interest borrowings are all fixed at a weighted rate of 5.30%.

Glossary

For each Program, we have included a projected budget for each of the Activities within that Program, setting out the type of income and expenditure, and funding expected for the next four years. A simple explanation of each line item contained in the budget summary for each Activity is provided here.

Rates & Annual Charges includes the income generated by the Town from the levying of rates and annual charges for the provision of waste management services.

User Charges & Fees includes user charges for statutory fees such as planning and building regulation, and other fees and charges for a variety of Town services including private works, waste depot fees, cemeteries and swimming pools.

Interest & Investment Revenue encompasses interest charged by the Town on overdue rates and charges, and interest earned on the Town's investment portfolio. The majority of interest revenue will appear in General Purpose Revenue (treasury operations).

Other Revenues includes fines, insurance claim recoveries, sales income, and rental income from Council properties.

Grants & Contributions – Operating includes general purpose grants and contributions such as the Financial Assistance Grant and specific purpose grants for services such as bushfire and emergency, environmental programs, aged and disabled services, noxious weeds management, and roads maintenance.

Grants & Contributions – Capital encompasses the majority of developer contributions; capital grants provided for specific purposes such as roadwork, waste management infrastructure, and sporting facilities.

Gain or Loss on Disposal of Assets represents the surplus or shortfall of proceeds received from the disposal of assets over their written down value. This typically relates to the sale of land developed by the Town or surplus to our needs, and the sale of plant at the end of its useful life.

Employee Benefits & On-costs incorporates the cost of staff including salaries and wages, superannuation, workers compensation, and training.

Borrowing Costs represents the interest paid by the Town on borrowings.

Materials & Contracts includes expenditure on materials, contractor and consultancy costs, payments for audit services, legal expenses, and operating lease payments.

Depreciation & Amortisation reflects the consumption of the Town's infrastructure, property, plant & equipment (net of residual values) over the estimated useful life of the asset. Depreciation is calculated using the straight line method.

Other Expenses include payments for elected member fees, donations and contributions made to local and regional bodies, election expenses, electricity, insurance premiums, street lighting, and telephone & communications expenditure.

Internal Income and Internal Expenses are transactions between the different funds and activities of Council, such as contributions from Waste Operations to the Municipal Fund for corporate support, and Dividends. For consolidated financial statements, these two line items are netted off against Materials & Contracts.

Capital Expenditure reflects the cost of purchasing or constructing new assets and renewing existing infrastructure. Those assets (excluding land) are then depreciated over the course of their estimated useful life.

Non Cash Entries is an adjustment made to the income statement to show the impact of noncash entries such as depreciation.

New Loan Borrowings represents new loan funding drawn down by the Town. Loan Repayments represents the principal component of loan repayments made by the Town to service borrowings.

Transfers from Reserves, Unspent Loans & Unspent Grants represents a transfer from the Town's restricted funds (internal and external restrictions), and is usually associated with a specific project for which funds have been set aside.

Transfers to Reserves, Unspent Loans & Unspent Grants represent transfers made to the Town's restricted accounts (internal and external restrictions). For example, all developer contributions received by the Town are externally restricted and can only be spent in accordance with the relevant Contributions Plan.

Contribution from General Purpose Funds is the total contribution required out of general purpose Municipal funds (such as financial assistance grants, ordinary rates, interest on investments) to support the activities undertaken in each Service.

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**TOWN OF PORT HEDLAND
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	23,683,946	25,197,748	25,621,000
Operating grants, subsidies and contributions		8,458,602	3,519,562	3,391,000
Fees and charges	14	12,328,519	21,631,289	29,059,000
Service charges	11	0	0	0
Interest earnings	2(a)	7,390,933	4,125,177	2,210,000
Other revenue	2(a)	<u>1,986,342</u>	<u>124,389,611</u>	<u>9,835,000</u>
		<u>53,848,342</u>	<u>178,863,387</u>	<u>70,116,000</u>
Expenses				
Employee costs		(21,839,421)	(24,305,523)	(24,548,000)
Materials and contracts		(29,934,886)	(25,546,259)	(22,457,000)
Utility charges		(2,515,075)	(3,333,836)	(3,682,000)
Depreciation on non-current assets	2(a)	(13,838,750)	(15,355,752)	(14,462,000)
Interest expenses	2(a)	(1,260,196)	(1,660,534)	(1,557,000)
Insurance expenses		(1,044,119)	(1,401,809)	(1,340,000)
Other expenditure		<u>(2,829,013)</u>	<u>(2,197,870)</u>	<u>(1,509,000)</u>
		<u>(73,261,460)</u>	<u>(73,801,583)</u>	<u>(69,555,000)</u>
		(19,413,118)	105,061,804	561,000
Non-operating grants, subsidies and contributions		5,146,510	5,626,730	4,258,468
Profit on asset disposals	6	210,000	469,980	35,000
Loss on asset disposals	6	0	(61,934,833)	(66,000)
NET RESULT		(14,056,608)	49,223,681	4,788,468
Other comprehensive income				
Changes on revaluation of non-current assets		<u>3,844,689</u>	<u>0</u>	<u>0</u>
Total other comprehensive income		<u>3,844,689</u>	<u>0</u>	<u>0</u>
TOTAL COMPREHENSIVE INCOME		<u>(10,211,919)</u>	<u>49,223,681</u>	<u>4,788,468</u>

Notes:

All fair value adjustments relating to remeasurement 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 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.

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

**TOWN OF PORT HEDLAND
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		0	11,565	3,900
General purpose funding		33,955,424	30,474,745	32,398,594
Law, order, public safety		190,119	272,771	263,402
Health		476,099	99,625	71,500
Education and welfare		177,294	888,832	979,452
Housing		532,000	235,989	348,500
Community amenities		10,264,228	10,270,945	11,661,440
Recreation and culture		2,534,291	1,715,557	1,883,886
Transport		4,034,821	129,469,392	19,850,440
Economic services		1,151,252	4,945,944	2,170,970
Other property and services		532,814	478,022	483,916
		<u>53,848,342</u>	<u>178,863,387</u>	<u>70,116,000</u>
Expenses Excluding Finance Costs Refer Notes 1, 2 & 15)				
Governance		(2,796,354)	(4,012,109)	(2,642,711)
General purpose funding		(340,852)	(297,378)	(372,799)
Law, order, public safety		(2,805,848)	(1,973,388)	(2,053,859)
Health		(1,289,098)	(946,368)	(965,518)
Education and welfare		(3,400,433)	(3,652,248)	(3,802,410)
Housing		(248,299)	(1,173,425)	(1,497,401)
Community amenities		(8,297,928)	(8,893,412)	(9,689,809)
Recreation and culture		(21,504,511)	(19,558,160)	(22,032,605)
Transport		(28,098,906)	(25,985,132)	(19,792,800)
Economic services		(1,680,214)	(2,074,027)	(2,445,720)
Other property and services		(1,538,821)	(3,575,402)	(2,702,368)
		<u>(72,001,264)</u>	<u>(72,141,049)</u>	<u>(67,998,000)</u>
Finance Costs (Refer Notes 2 & 9)				
Law, order, public safety		(6,932)	(8,671)	(10,094)
Health		(63,422)	0	0
Education and welfare		(138,526)	(70,134)	(75,308)
Housing		(282,429)	(300,927)	(326,060)
Community amenities		(8,897)	(449)	(16,010)
Recreation and culture		(759,990)	(984,920)	(1,053,460)
Transport		0	(295,433)	(76,068)
		<u>(1,260,196)</u>	<u>(1,660,534)</u>	<u>(1,557,000)</u>
Non-operating Grants, Subsidies and Contributions				
Law, order, public safety		394,828	20,000	0
Housing		0	2,463,106	0
Community amenities		0	268,182	380,000
Recreation and culture		1,429,992	416,714	1,200,000
Transport		3,171,690	2,431,395	2,678,468
Economic services		150,000	27,333	0
		<u>5,146,510</u>	<u>5,626,730</u>	<u>4,258,468</u>

**TOWN OF PORT HEDLAND
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)				
Community amenities		0	0	35,000
Recreation and culture		0	(714,774)	0
Transport		0	(61,220,059)	(66,000)
Economic services		210,000	469,980	0
		<u>210,000</u>	<u>(61,464,853)</u>	<u>(31,000)</u>
NET RESULT		(14,056,608)	49,223,681	4,788,468
Other comprehensive income				
Changes on revaluation of non-current assets		3,844,689	0	0
Total other comprehensive income		<u>3,844,689</u>	<u>0</u>	<u>0</u>
TOTAL COMPREHENSIVE INCOME		<u>(10,211,919)</u>	<u>49,223,681</u>	<u>4,788,468</u>

Notes:

All fair value adjustments relating to remeasurement 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 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.

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

**TOWN OF PORT HEDLAND
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		23,683,946	25,197,748	25,621,000
Operating grants, subsidies and contributions		9,460,477	3,519,562	3,391,000
Fees and charges		12,328,519	21,631,289	30,997,000
Service charges		0	0	0
Interest earnings		7,390,933	3,875,177	2,210,000
Other revenue		1,986,342	175,930,260	9,835,000
		<u>54,850,217</u>	<u>230,154,036</u>	<u>72,054,000</u>
Payments				
Employee costs		(22,765,456)	(24,305,523)	(24,448,000)
Materials and contracts		(28,934,886)	(27,254,415)	(26,358,000)
Utility charges		(2,515,075)	(3,333,836)	(3,682,000)
Interest expenses		(1,260,196)	(1,358,721)	(1,557,000)
Insurance expenses		(1,044,119)	(1,401,809)	(1,340,000)
Other expenditure		(2,829,013)	(2,197,870)	(1,509,000)
		<u>(59,348,745)</u>	<u>(59,852,174)</u>	<u>(58,894,000)</u>
Net cash provided by (used in) operating activities	3(b)	<u>(4,498,528)</u>	<u>170,301,862</u>	<u>13,160,000</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	5	(7,736,895)	(4,712,939)	(9,069,000)
Payments for construction of infrastructure	5	(13,692,089)	(7,216,825)	(29,781,000)
Non-operating grants, subsidies and contributions used for the development of assets		5,146,510	3,163,624	4,258,468
Proceeds from sale of assets	6	870,000	3,489,244	4,985,400
Net cash provided by (used in) investing activities		<u>(15,412,474)</u>	<u>(5,276,896)</u>	<u>(29,606,132)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of debentures	7	(1,178,962)	(2,237,754)	(1,156,000)
Proceeds from self supporting loans	7	97,910	92,155	92,000
Proceeds from new debentures	7	0	341,000	5,322,000
Net cash provided by (used in) financing activities		<u>(1,081,052)</u>	<u>(1,804,599)</u>	<u>4,258,000</u>
Net increase (decrease) in cash held		(20,992,054)	163,220,367	(12,188,132)
Cash at beginning of year		<u>244,353,367</u>	<u>81,133,000</u>	<u>77,662,500</u>
Cash and cash equivalents at the end of the year	3(a)	<u><u>223,361,313</u></u>	<u><u>244,353,367</u></u>	<u><u>65,474,368</u></u>

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

**TOWN OF PORT HEDLAND
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	3,765,336	5,066,701	2,950,400
Revenue from operating activities (excluding rates and non-operating grants, subsidies and contributions)	1,2			
Governance		0	11,565	3,900
General purpose funding		10,271,478	5,276,997	6,777,594
Law, order, public safety		190,119	272,771	263,402
Health		476,099	99,625	71,500
Education and welfare		177,294	888,832	979,452
Housing		532,000	235,989	348,500
Community amenities		10,264,228	10,270,945	11,696,440
Recreation and culture		2,534,291	1,715,557	1,883,886
Transport		4,034,821	129,469,392	19,850,440
Economic services		1,361,252	5,415,924	2,170,970
Other property and services		532,814	478,022	483,916
		<u>30,374,396</u>	<u>154,135,619</u>	<u>44,530,000</u>
Expenditure from operating activities	1,2			
Governance		(2,796,354)	(4,012,109)	(2,642,711)
General purpose funding		(340,852)	(297,378)	(372,799)
Law, order, public safety		(2,812,780)	(1,982,059)	(2,063,953)
Health		(1,352,520)	(946,368)	(965,518)
Education and welfare		(3,538,959)	(3,722,382)	(3,877,718)
Housing		(530,728)	(1,474,352)	(1,823,461)
Community amenities		(8,306,825)	(8,893,861)	(9,705,819)
Recreation and culture		(22,264,501)	(21,257,854)	(23,086,065)
Transport		(28,098,906)	(87,500,624)	(19,934,868)
Economic services		(1,680,214)	(2,074,027)	(2,445,720)
Other property and services		(1,538,821)	(3,575,402)	(2,702,368)
		<u>(73,261,460)</u>	<u>(135,736,416)</u>	<u>(69,621,000)</u>
Operating activities excluded from budget				
(Profit)/Loss on asset disposals	6	(210,000)	61,464,853	31,000
Transfer to/(from) Non-Current		(924,160)	45,113,867	0
Depreciation on assets	2(a)	13,838,750	15,355,756	14,462,000
Movement in employee benefit provisions (non-current)		0	268,702	0
Amount attributable to operating activities		<u>(26,417,138)</u>	<u>145,669,082</u>	<u>(7,647,600)</u>
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		5,146,510	5,626,730	4,258,468
Purchase property, plant and equipment	5	(7,736,895)	(4,712,939)	(9,069,000)
Purchase and construction of infrastructure	5	(13,692,089)	(9,679,931)	(29,781,000)
Proceeds from disposal of assets	6	870,000	3,489,244	4,985,400
Amount attributable to investing activities		<u>(15,412,474)</u>	<u>(5,276,896)</u>	<u>(29,606,132)</u>

**TOWN OF PORT HEDLAND
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2017**

(continued)

	NOTE	2016/17 Budget \$	2015/16 Actual \$	2015/16 Budget \$
FINANCING ACTIVITIES				
Repayment of debentures	7	(1,178,962)	(2,237,754)	(1,156,000)
Proceeds from new debentures	7	0	341,000	5,322,000
Proceeds from self supporting loans	7	97,910	92,314	92,000
Transfers to cash backed reserves (restricted assets)	9	(12,866,869)	(169,456,207)	(6,680,000)
Transfers from cash backed reserves (restricted assets)	9	32,095,176	9,436,049	16,028,260
Amount attributable to financing activities		18,147,255	(161,824,598)	13,606,260
Budgeted deficiency before general rates		(23,682,357)	(21,432,412)	(23,647,472)
Estimated amount to be raised from general rates	8	23,683,946	25,197,748	25,621,000
Net current assets at end of financial year - surplus/(deficit)	4	1,589	3,765,336	1,973,528

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

**TOWN OF PORT HEDLAND
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 Town 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 Town 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 Town contributes to a number of superannuation funds on behalf of employees. All funds to which the Town contributes are defined contribution plans.

**TOWN OF PORT HEDLAND
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.

**TOWN OF PORT HEDLAND
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 Town 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 Town.

**TOWN OF PORT HEDLAND
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:

Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
gravel sheet	12 years
Formed roads	
formation	not depreciated
pavement	50 years
Footpaths - slab	20 years
Sewerage piping	100 years
Water supply piping & drainage systems	75 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

Expenditure on items of equipment under \$5,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

(k) Fair Value of Assets and Liabilities

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

Fair Value is the price that the Town 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.

**TOWN OF PORT HEDLAND
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)

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 Town 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 Town are consistent with one or more of the following valuation approaches:

Market approach

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

**TOWN OF PORT HEDLAND
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)

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 Town 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 Town becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Town 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.

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.

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Financial Instruments (Continued)

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 Town 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.

(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.

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Financial Instruments (Continued)

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.

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 Town 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 Town 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.

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Impairment of Assets (Continued)

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 Town prior to the end of the financial year that are unpaid and arise when the Town 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.

(o) Employee Benefits

Short-Term Employee Benefits

Provision is made for the Town'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 Town'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 Town'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 Town's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Town 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.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Provisions are recognised when the Town 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.

(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 Town, 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 Town'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 19.

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(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 Town's operational cycle. In the case of liabilities where the Town 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 Town'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.

**TOWN OF PORT HEDLAND
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:			
(i) Charging as an expense:			
Auditors remuneration			
Audit services	45,225	97,763	60,000
Other services	12,500	16,673	15,000
Depreciation By Program			
Governance	0	158,872	240,000
General purpose funding	0	0	0
Law, order, public safety	533,700	165,507	150,000
Health	194,400	76,289	98,000
Education and welfare	643,300	421,698	623,000
Housing	368,000	367,701	430,000
Community amenities	258,700	275,936	288,000
Recreation and culture	4,450,600	4,835,606	5,455,000
Transport	5,545,500	7,082,765	5,765,000
Economic services	34,550	28,036	30,000
Other property and services	1,810,000	1,943,342	1,383,000
	<u>13,838,750</u>	<u>15,355,752</u>	<u>14,462,000</u>
Depreciation By Asset Class			
Land and buildings	3,385,400	3,818,816	4,765,000
Furniture and equipment	797,400	672,711	564,000
Plant and equipment	1,740,300	1,815,144	1,533,000
Infrastructure	7,915,650	9,049,085	7,600,000
	<u>13,838,750</u>	<u>15,355,756</u>	<u>14,462,000</u>
Interest Expenses (Finance Costs)			
- Debentures (<i>refer note 7(a)</i>)	1,260,196	1,660,534	1,557,000
Other	0	0	0
	<u>1,260,196</u>	<u>1,660,534</u>	<u>1,557,000</u>
(ii) Crediting as revenues:			
Interest Earnings			
Investments			
- Reserve funds	6,708,704	1,236,468	0
- Other funds	392,229	2,600,168	2,210,000
Other interest revenue (<i>refer note 9</i>)	290,000	288,541	0
	<u>7,390,933</u>	<u>4,125,177</u>	<u>2,210,000</u>
(iii) Other Revenue			
Reimbursements and recoveries	541,963	844,318	0
Other	1,444,379	123,545,293	9,835,000
	<u>1,986,342</u>	<u>124,389,611</u>	<u>9,835,000</u>

**TOWN OF PORT HEDLAND
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 Town's Community Vision, and for each of its broad activities/programs.

COMMUNITY VISION

The Town of Port Hedland's vision is to become a nationally significant friendly city that people are proud to call home. Central to this vision are four themes and outcomes:

1. Building a unified and vibrant community
2. Supporting a diverse economy
3. Balancing our built and natural environment
4. Leading our community

GOVERNANCE

Objective:

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

Activities:

Includes all income and expenditure associated with Elected Members, Civic Receptions, Corporate Management, Financial Services, Human Resources and OHS, Governance, Records Management, Marketing and Public Relations, and Information Technology. The majority of costs are distributed across other programs of Council, to better reflect the total cost of service delivery.

GENERAL PURPOSE FUNDING

Objective:

To collect revenue to allow for the provision of services.

Activities:

Rates, general purpose government grants, interest revenue, dividends paid to the Municipal fund from the waste facility and loan financing.

LAW, ORDER, PUBLIC SAFETY

Objective:

To provide services to help ensure a safer and environmentally conscious community.

Activities:

Fire prevention, animal control, parking control, support of State Emergency Services, the Town's CCTV network, and community safety initiatives.

HEALTH

Objective:

To provide an operational framework for environmental and community health.

Activities:

Vermin control, environmental health, food and public health regulation and compliance, and Aboriginal health.

EDUCATION AND WELFARE

Objective:

To provide services to disadvantaged persons, the elderly, children and youth.

Activities:

Community partnership funding, disability access initiatives, community services administration, and asset management associated with key community buildings.

**TOWN OF PORT HEDLAND
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)

HOUSING

Objective:

To provide and maintain adequate housing.

Activities:

Primarily centred around the provision of housing to employees, and asset management activities.

COMMUNITY AMENITIES

Objective:

To provide services required by the community.

Activities:

Strategic town planning and development control, all aspects of waste management such as waste collection, landfill operations, and waste minimisation; cemeteries, public toilets, and sanitation and litter collection.

RECREATION AND CULTURE

Objective:

To establish and effectively manage infrastructure and resources which will help the social well-being of the community.

Activities:

Maintenance of public halls, civic centres, aquatic centres, beaches, recreation centres and various sporting facilities. Provision and maintenance of parks, gardens and playgrounds. Operation of libraries, galleries and other cultural facilities.

TRANSPORT

Objective:

To provide safe, effective and efficient transport services to the community.

Activities:

All activities relating to the Port Hedland International Airport. Construction and maintenance of roads, streets, footpaths, depots, cycle ways, parking facilities, and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

ECONOMIC SERVICES

Objective:

To help promote the Town and its economic well-being.

Activities:

Tourism and area promotion, leasing and administration of commercial properties, building regulation, land development, and saleyards and markets.

OTHER PROPERTY & SERVICES

Objective:

To monitor and control Council's overheads operating accounts.

Activities:

Remaining activities not directly attributable to other programs such as private works, plant operations, public works overheads, and building maintenance overheads.

**TOWN OF PORT HEDLAND
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	2,993,063	4,756,810	1,972,000
Cash - restricted	<u>220,368,250</u>	<u>239,596,557</u>	<u>63,502,368</u>
	<u><u>223,361,313</u></u>	<u><u>244,353,367</u></u>	<u><u>65,474,368</u></u>

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

Employee Leave Entitlements	875,611	875,611	875,611
Plant Replacement	2,356,273	1,840,273	2,085,273
Car Parking	269,788	269,787	367,000
Airport	3,517,717	15,872,130	7,062,000
Spoilbank	36,371,568	38,371,568	37,319,756
Asset Management - Community Facilities	496,845	20,000	485,000
GP Housing	184,728	184,728	184,728
Asset Management - Infrastructure	871,189	2,170,238	1,378,000
Waste Management	11,041,150	11,956,702	12,171,000
Developer Contributions	198,431	1,520,831	158,000
Unfinished and Committed Works	0	1,656,083	0
Staff Housing	660,000	760,000	510,000
Strategic Projects	1,031,645	586,645	906,000
Unspent Grants, Loans and Contributions	22,992	1,075,363	0
Port Hedland International Airport Long Term Lease Proceeds	162,461,753	162,436,598	0
Historical	8,560	0	0
Cyclone Emergency Support Reserve	0	0	0
	<u><u>220,368,250</u></u>	<u><u>239,596,557</u></u>	<u><u>63,502,368</u></u>

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

Net result	(14,056,608)	49,223,681	4,788,468
Depreciation	13,838,750	15,355,752	14,462,000
(Profit)/loss on sale of assets	(210,000)	61,464,853	31,000
Loss on revaluation of non current assets	0	0	0
(Increase)/decrease in receivables	1,001,875	8,611,835	1,938,000
(Increase)/decrease in inventories	0	530	100,000
Increase/(decrease) in payables	1,000,000	41,670,672	(3,800,000)
Increase/(decrease) in employee provisions	(926,035)	(398,731)	(101,000)
Grants/contributions for the development of assets	<u>(5,146,510)</u>	<u>(5,626,730)</u>	<u>(4,258,468)</u>
Net Cash from Operating Activities	<u><u>(4,498,528)</u></u>	<u><u>170,301,862</u></u>	<u><u>13,160,000</u></u>

**TOWN OF PORT HEDLAND
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			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	100,000	100,000	100,000
Credit card balance at balance date	0	0	0
Total Amount of Credit Unused	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Loan Facilities			
Loan facilities in use at balance date	<u>22,641,799</u>	<u>23,820,761</u>	<u>29,884,000</u>
Unused loan facilities at balance date	<u>0</u>	<u>0</u>	<u>0</u>

	Note	2016/17 Budget \$	2015/16 Actual \$
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4. NET CURRENT ASSETS

Composition of estimated net current assets

CURRENT ASSETS

Cash - unrestricted	3(a)	2,993,063	4,756,810
Cash - restricted reserves	3(a)	220,368,250	239,596,557
Receivables		7,277,831	8,265,935
Inventories		750,000	1,516,683
		<u>231,389,144</u>	<u>254,135,985</u>

LESS: CURRENT LIABILITIES

Trade and other payables		(8,329,168)	(7,329,168)
Long term borrowings		(1,126,867)	(2,305,829)
Provisions		(2,336,278)	(2,338,153)
		<u>(11,792,313)</u>	<u>(11,973,150)</u>

Unadjusted net current assets

219,596,831 242,162,835

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	3(a)	(220,368,250)	(239,596,557)
Less: Land held for resale		(250,000)	(1,016,683)
Less: Current loans - clubs / institutions		(103,859)	(90,088)
Add: Current portion of debentures		1,126,867	2,305,829
Adjusted net current assets - surplus/(deficit)		<u>1,589</u>	<u>3,765,336</u>

**TOWN OF PORT HEDLAND
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 \$
	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 \$	
<u>Property, Plant and Equipment</u>												
Land and buildings						100,000	485,000	4,290,283		506,238	1,150,000	6,531,521
Furniture and equipment			341,374								500,000	841,374
Plant and equipment								364,000				364,000
	0	0	341,374	0	0	100,000	485,000	4,654,283	0	506,238	1,650,000	7,736,895
<u>Infrastructure</u>												
Roads and Carparks								450,000	6,358,578			6,808,578
Drainage									864,948			864,948
Parks and ovals			100,000					3,250,000				3,350,000
Other							2,523,259		145,304			2,668,563
	0	0	100,000	0	0	0	2,523,259	3,700,000	7,368,830	0	0	13,692,089
<u>Land Held for Resale</u>												
Land Held for Resale												
Total Acquisitions	0	0	441,374	0	0	100,000	3,008,259	8,354,283	7,368,830	506,238	1,650,000	21,428,984

A detailed breakdown of acquisitions on an individual asset basis can be found in the supplementary information attached to this budget document as follows:

- Capital Expenditure Program
- Road Program
- Plant Replacement Program

**TOWN OF PORT HEDLAND
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 \$
Housing Catamore Court	150,000	150,000	0	0
Transport Plant replacement program	260,000	260,000	0	0
Economic Services Kingsford Smith Business Park	250,000	460,000	210,000	0
	660,000	870,000	210,000	0

<u>By Class</u>	2016/17 Budget			
	Net Book Value \$	Sale Proceeds \$	Profit \$	Loss \$
Land and Buildings Kingsford Smith Business Park	250,000	460,000	210,000	0
Catamore Court	150,000	150,000	0	0
	400,000	610,000	210,000	0
Plant and Equipment Plant replacement program	260,000	260,000	0	0
	260,000	260,000	0	0
Total	660,000	870,000	210,000	0

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

7. INFORMATION ON BORROWINGS

(a) Debenture Repayments

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

Particulars	Principal 01-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 \$
Education and welfare								
GP Housing (135)	1,354,032		53,386	50,948	1,300,646	1,354,032	63,422	77,759
Housing								
Morgan Street Staff Housing (125)	1,179,952		59,104	55,308	1,120,848	1,179,952	78,666	82,897
Morgan Street Staff Housing (127)	1,741,233		82,235	76,931	1,658,998	1,741,233	116,685	122,310
Airport Housing (131)	0		0	1,147,272	0	0	0	48,503
Catamore Court Housing (139)	1,520,466		52,661	50,021	1,467,805	1,520,466	78,539	108,600
Catamore Court Housing (143)	341,000		30,277	0	310,723	341,000	8,539	240
Community amenities								
Underground Power (134)	275,994		135,488	130,649	140,506	275,994	8,897	15,618
Recreation and culture								
JD Hardie Upgrade (129)	1,315,403		55,907	52,672	1,259,496	1,315,403	78,749	85,245
Marquee Park (130)	704,377		29,937	28,205	674,440	704,377	42,169	45,647
Marquee Park (132)	3,874,495		159,980	151,945	3,714,515	3,874,495	200,188	291,011
Wanangkura Stadium (133)	6,826,200		281,858	267,701	6,544,342	6,826,200	352,696	512,713
Wanangkura Stadium (137)	2,258,852		88,349	84,240	2,170,503	2,258,852	107,825	114,909
JD Hardie Upgrade (136)	1,303,907		51,869	49,548	1,252,038	1,303,907	59,777	73,314
	22,695,911	0	1,081,051	2,145,440	21,614,860	22,695,911	1,196,152	1,578,769
Self Supporting Loans								
SES Shed (123)	118,092		36,927	34,686	81,165	118,092	6,932	11,852
Yacht Club (126)	347,931		30,551	28,639	317,380	347,931	21,649	23,874
Yacht Club (128)	188,967		14,369	13,531	174,598	188,967	10,983	11,979
South Hedland Bowls and Tennis Club (138)	469,860		16,064	15,458	453,796	469,860	24,480	34,060
	1,124,850	0	97,911	92,314	1,026,939	1,124,850	64,044	81,766
	23,820,761	0	1,178,962	2,237,754	22,641,799	23,820,761	1,260,196	1,660,534

All debenture repayments will be financed by general purpose revenue with exception of loans 123,126,128 and 138 which are self supporting and funded directly by the applicant.

**TOWN OF PORT HEDLAND
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

The Town of Port Hedland does not propose any new debentures in 2016/17 financial year.

(c) Unspent Debentures

The Town of Port Hedland does not have any unspent debentures as at 30 June 2016.

(d) Overdraft

The Town of Port Hedland does not currently have access to an overdraft facility on its normal operating bank account. It is the Town's intention to utilise the Funds held in the Reserves (note 9) for the purposes of not utilising external overdraft facilities for short periods from time to time during the financial year. The benefit to the Town is that financing costs are reduced by minimising the use of overdraft facilities. This advice is provided in the budget pursuant to section 6.11(3) of the Local Government Act 1995.

**TOWN OF PORT HEDLAND
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 \$	Number of Properties	Rateable Value \$	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								
GRV Residential	5.4074	5,545	262,883,370	14,215,155	100,000	0	14,315,155	15,048,661
GRV Commercial	4.0875	151	28,362,907	1,159,334	0	0	1,159,334	1,434,447
GRV Industrial	2.7529	408	69,332,055	1,908,642	0	0	1,908,642	1,839,980
GRV Mass Accommodation	26.0000	5	11,604,000	3,017,040	0	0	3,017,040	3,358,940
GRV Tourist Accommodation	11.4339	10	7,360,080	841,544	0	0	841,544	841,544
UV Mining	37.0000	285	2,897,701	1,072,149	0	0	1,072,149	1,125,974
UV Pastoral	10.2877	11	1,317,924	135,584	0	0	135,584	217,164
UV Other	21.0000	12	1,253,500	263,235	0	0	263,235	260,144
Sub-Totals		6,427	385,011,536	22,612,684	100,000	0	22,712,684	24,126,854
Minimum payment	Minimum \$							
GRV Residential	1260	780	11,079,803	982,800	0	0	982,800	918,540
GRV Commercial	1260	67	838,910	84,420	0	0	84,420	78,120
GRV Industrial	1260	48	1,131,622	60,480	0	0	60,480	51,660
GRV Mass Accommodation	1260	0	832,000	0	0	0	0	0
GRV Tourist Accommodation	1260	0	0	0	0	0	0	0
UV Mining	260	63	30,637	16,380	0	0	16,380	119,480
UV Pastoral	1260	0	0	0	0	0	0	0
UV Other	1260	9	4,047	11,340	0	0	11,340	12,600
Sub-Totals		967	13,917,020	1,155,420	0	0	1,155,420	1,180,400
Discounts (Note 13)							(167,798)	(109,506)
Pensioner Gap-Cap							(16,360)	0
Total Rates							23,683,946	25,197,748

**TOWN OF PORT HEDLAND
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 Town of Port Hedland is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Town of Port Hedland.

The general rates detailed above for the 2016/17 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

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 Town the following rate categories have been determined for the implementation of differential rating.

Differential General Rate

Description	Characteristics	Objects	Reasons
GRV Residential	Properties that are used for singular and multi-dwellings and are zoned Residential under the Town Planning Scheme.	This rate is to contribute to services desired by the community.	Notwithstanding significant swings in relative valuations between rate categories, this is considered the base rate above which all other GRV rated properties are assessed.
GRV Commercial	Properties that are zoned Commercial under the Town Planning Scheme including town centre and commercial business precincts, including shopping centres.	To provide relief for business in the Commercial category.	Notwithstanding rate in the dollar adjustments as a result of valuation movements, a higher rate reflects the additional cost of servicing commercial activity including car parking and landscaping.
GRV Industrial	Properties that are zoned Industrial under the Town Planning Scheme including the Wedgefield Industrial Estate and light industry.	To provide further relief for business in the Industrial category.	To produce some relief to ensure the retention of business and in-turn, local employment and a stronger and a more diverse economy, more resilient to the peaks and troughs associated with mining in the Pilbara, but very evident at the present.

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

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

Description	Characteristics	Objects	Reasons
GRV Mass Accommodation	Properties that have been approved as Transient Workforce Accommodation facilities.	The objective is to ensure that non-residential workers who spend a significant portion of the year in Port Hedland and are consumers of municipal services contribute.	The Transient Workforce Accommodation Facilities provide for (indicatively at any time) approximately 16% of the population, however unlike the residential population, which has a large number of persons below the age of 17 and over the age of 65, all of the TWA residents are income earning employees (adults). It is not unreasonable to expect that this percentage (or approximate) be reflected with the rates revenue generated (at 13% of the total rate yield).
GRV Tourist Accommodation	Properties that provide large scale accommodation for visitors to the Town and includes all hotels, motels and caravan parks.	The objective is to raise additional revenue to contribute toward higher costs associated with commercial and tourism activities.	The additional income from this rate in the dollar (above residential) will be utilised to support the Town of Port Hedland's investment into Tourism infrastructure and visitor facilities and assist to transition and diversify the economy from being so heavily reliant on the mining sector in accordance with the principles established the Pilbara's Port City Growth Plan and the Town of Port Hedland's Strategic Community Plan.
UV Mining	Properties that are defined as Mining Leases, Mining exploration under the mining act as well as all other mining tenements including Prospecting Licenses, Special Prospecting Licenses for Gold, Retention Licences and General Purpose Leases.	The objective is to raise additional revenue to contribute toward higher costs associated with mining activity.	To support the large investment that the Town of Port Hedland makes in road and road drainage infrastructure to service remote mining activities on rural roads throughout the municipality and reflects the extra maintenance, impacts and frequency that is required to ensure a minimum level of serviceability above that normally required to meet the needs of pastoralists (UV Pastoral).

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

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

UV Pastoral	Consists of all crown pastoral leases.	Provide rate relief to emerging pastoral economic activity.	A lower RID to encourage development tourism and rangeland activities in conjunction with the reforms being introduced by the State Government and to encourage the opportunity for live cattle trade and associated activities from the Port to further diversify the local economy from the effects of the downturns associated with mining activity.
UV Other	Consists of properties used predominantly for rural purposes.	To recognise a lower servicing cost requirement for rural properties.	Lower cost of services associated with Crown Lease properties.

Differential Minimum Payment

Description	Characteristics	Objects	Reasons
General Minimum	The General Minimum applies to all general rate categories with the exception of UV Mining.	The minimum rate is to ensure all ratepayers make a minimum contribution for basic services and infrastructure.	The rate is imposed to discourage holding undeveloped land within the Town, which reduces the amenity of the area, and thereby encourages its early development.
UV Mining	Properties that are defined as Mining Leases, Mining exploration under the mining act as well as all other mining tenements including Prospecting Licenses, Special Prospecting Licenses for Gold, Retention Licences and General Purpose Leases.	The minimum rate is to ensure all ratepayers make a minimum contribution for basic services and infrastructure.	The lower minimum is applied to ensure that the rate burden is distributed equitably between all property owners. A lesser minimum has been applied for all categories of Mining Tenements to reflect recent State Government amendment to the Valuation of Land Act 1978 with the objective of providing some minor rate relief to small tenement owners.

Disclosure - Local Government (Financial Management) Regulations 1996 - Reg 23B

Description	Details of Rate or Payment set forth in Public Notice	Adopted Rate or Payment	Reasons
UV Mining	40.0000 cents	37.0000 cents	In response to advice from Department of Local Government and Communities

**TOWN OF PORT HEDLAND
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 \$
Employee Leave Entitlements	875,611	0	0	875,611	875,611	0	0	875,611	875,611	0	0	875,611
Plant Replacement	1,840,273	800,000	(284,000)	2,356,273	837,273	1,003,000	0	1,840,273	837,273	1,248,000	0	2,085,273
Car Parking	269,788	0	0	269,788	269,787	0	0	269,787	367,000	0	0	367,000
Airport	15,872,130	3,517,717	(15,872,130)	3,517,717	20,874,077	0	(5,001,947)	15,872,130	15,463,000	0	(8,401,000)	7,062,000
BHP Sustainability Partnership	0	0	0	0	527,575	2,592	(530,167)	0	481,000	0	(481,000)	0
Spoilbank	38,371,568	0	(2,000,000)	36,371,568	38,989,756	0	(618,188)	38,371,568	39,319,756	0	(2,000,000)	37,319,756
Asset Management - Community Facilities	20,000	796,845	(320,000)	496,845	10,000	10,000	0	20,000	10,000	475,000	0	485,000
GP Housing	184,728	0	0	184,728	184,728	0	0	184,728	184,728	0	0	184,728
Asset Management - Infrastructure	2,170,238	1,074,404	(2,373,453)	871,189	613,819	2,821,530	(1,265,111)	2,170,238	494,000	1,050,000	(166,000)	1,378,000
Waste Management	11,956,701	1,572,708	(2,488,259)	11,041,150	10,704,353	1,252,349	0	11,956,702	9,200,000	2,971,000	0	12,171,000
Developer Contributions	1,520,831	0	(1,322,400)	198,431	1,374,260	268,182	(121,611)	1,520,831	1,374,260	0	(1,216,260)	158,000
Unfinished and Committed Works	1,656,083	0	(1,656,083)	0	2,281,314	513,139	(1,138,370)	1,656,083	2,281,000	0	(2,281,000)	0
Staff Housing	760,000	0	(100,000)	660,000	730,000	30,000	0	760,000	730,000	30,000	(250,000)	510,000
Strategic Projects	586,645	445,000	0	1,031,645	0	595,000	(8,355)	586,645	0	906,000	0	906,000
Unspent Grants, Loans and Contributions	1,075,363	0	(1,052,371)	22,992	1,303,846	523,817	(752,300)	1,075,363	1,233,000	0	(1,233,000)	0
Port Hedland International Airport Long Term Lease Proceeds	162,436,598	4,548,225	(4,523,070)	162,461,753	0	162,436,598	0	162,436,598	0	0	0	0
Historical	0	8,560	0	8,560	0	0	0	0	0	0	0	0
Cyclone Emergency Support Reserve	0	103,410	(103,410)	0	0	0	0	0	0	0	0	0
	239,596,557	12,866,869	(32,095,176)	220,368,250	79,576,399	169,456,207	(9,436,049)	239,596,557	72,850,628	6,680,000	(16,028,260)	63,502,368

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

9. CASH BACKED RESERVES (Continued)

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

Employee Leave Entitlements

To ensure that adequate funds are available to finance employee leave entitlements such as annual leave, long service leave, sick leave and redundancies.

Plant Replacement

Funding of the plant replacement program (Plant with motor vehicle registration).

Car Parking

To hold contributions which arise from conditions applied to a Development Application for car parking.

Airport

To fund the future Port Hedland International Airport major works commitments.

Spoilbank

Funding the development of the Port Hedland Spoilbank Precinct.

Asset Management - Community Facilities

To fund the ongoing maintenance, refurbishment, renewal, replacement and upgrade of community facilities within the Town of Port Hedland, specifically (but not limited to) Wanangkura Stadium, South Hedland Aquatic Centre, Gratwick Aquatic Centre, Marquee Park, JD Hardie Centre.

GP Housing

To fund development, maintenance and management of GP housing.

Asset Management - Infrastructure

To fund the ongoing maintenance, refurbishment, renewal, replacement and development of Council owned infrastructure assets within the Town of Port Hedland.

Waste Management

To fund the development, operation, maintenance and capital expenditure for the Council's waste management facilities including the landfill and waste collection operations and any associated repayments of borrowings and employee entitlements.

Developer Contributions

To hold contributions which arise from conditions applied to a Development Application for public open space.

Unfinished and Committed Works

Transfer unspent municipal funded expenditure on specific projects to enable identification of carryover expenditure into the next financial year.

Staff Housing

To fund the maintenance, refurbishment, redevelopment and construction of staff housing.

Strategic Projects

To fund strategic projects as included in the Town's Strategic Community Plan and Corporate Business Plan.

Unspent Grants, Loans and Contributions

To restrict unspent grants, loans and contributions at the end of a financial year.

Port Hedland International Airport Long Term Lease Proceeds

To account for the lease proceeds from the long term lease of the Port Hedland International Airport and disburse funds as per the Wealth Management Framework.

Historical

To fund historical building refurbishment projects.

Cyclone Emergency Support Reserve

To fund cyclone and emergency related projects.

It is the Towns intention to utilise the Funds held in the above mentioned Reserves for the purposes of not utilising external overdraft facilities for short periods from time to time during the financial year. The benefit to the Town is that financing cost are reduced by minimising the use of overdraft facilities. This advice is provided in the budget pursuant to section 6.11(3) of the Local Government Act 1995.

As a general rule all interest earnings on reserves will be treated as general purpose municipal revenue with exception to the following:

Port Hedland International Airport Long Term Lease Proceeds - Interest earned on this reserve will be transferred into this Reserve via the Municipal fund.

Spoilbank - Interest earned on this reserve will be transferred into the Asset Management - Infrastructure Reserve via the Municipal fund.

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

10. SPECIFIED AREA RATE

The Town does not propose to impose specified area rates for the 2016/17 year.

11. SERVICE CHARGES

The Town does not propose to impose services charges for the 2016/17 year.

12. PAYMENT DISCOUNTS, WAIVERS AND CONCESSIONS

Rates Discounts

The Town does not provide a discount for the early payment of rates.

Waivers or Concessions

The Town provides a number of rate concessions at varying percentages to not for profit community based organisations occupying rateable land. The framework for rates concessions are set out in the Town's Rates Concession (Rateable Land) Policy.

Organisation	Assessment Number	%	2016/17 Rates Concession \$
Port Hedland Peace Memorial Seafrasers Centre	A100010	50%	1,054.44
Port Hedland Golf Club	A156490	50%	1,462.22
Port Hedland Yacht Club	A700010	50%	2,540.38
Hedland Women's Refuge	A115030	100%	3,627.28
Pony Club	A130005	100%	1,260.00
South Hedland Lotteries House	A130114	100%	8,416.98
Port Hedland Kart Club	A130165	100%	1,260.00
Hedland BMX Club	A130245	100%	1,260.00
Training Ship Pilbara (Naval Cadets)	A130354	100%	1,839.38
Hedland Sporting Shooters Club	A130597	100%	1,260.00
Port Hedland Speedway Club	A156260	100%	24,990.00
South Hedland Owners and Trainers	A802155	100%	44,730.00
Youth Involvement Council	A802207	100%	12,005.81
Port Hedland Motorcycle Club	A802355	100%	32,340.00
Port Hedland Peace Memorial Seafarers Centre	A803051	100%	3,188.25
Port Hedland Turf Club	A805022	100%	2,799.94
Youth Involvement Council	A805519	100%	3,936.59
South Hedland Bowling & Tennis Club	A806698	100%	4,087.50
RSL Port Hedland	A806699	100%	1,561.43
Cooke Point Recreation Club	A102540	50%	2,428.79
Finucane Island Club	A130669	50%	1,105.26
Port Hedland Masonic Lodge	A123310	100%	2,227.69
Port Hedland Historical Society	A127580	100%	4,835.51
St Johns Ambulance	A130118	100%	3,580.94
			167,798.38

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

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

Instalment No.	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Rates Interest Rate %
Instalment 1	17/10/2016	60	5.50%	11%
Instalment 2	30/12/2016	14	5.50%	11%
Instalment 3	06/03/2017	14	5.50%	11%
Instalment 4	08/05/2017	14	5.50%	11%

Instalment Interest Rates & Charges	2016/17 Budget Revenue \$	2015/16 Actual \$
Instalment Plan Admin Charge Revenue	90,000	86,119
Instalment Plan Interest Earned	115,000	111,216
Unpaid Rates Interest Earned	175,000	177,325
	380,000	374,660

**TOWN OF PORT HEDLAND
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	0	729
General purpose funding	1,028,660	227,015
Law, order, public safety	111,000	180,482
Health	414,099	73,493
Education and welfare	143,294	727
Housing	0	0
Community amenities	9,264,739	9,641,589
Recreation and culture	407,500	655,382
Transport	215,125	10,518,244
Economic services	740,602	333,628
Other property and services	3,500	0
	<u>12,328,519</u>	<u>21,631,289</u>

15. ELECTED MEMBERS REMUNERATION	2016/17 Budget \$	2015/16 Actual \$
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The following fees, expenses and allowances will be/were paid to council members and the Mayor.

Meeting fees	293,550	272,865
Mayor's allowance	87,550	87,550
Deputy Mayors allowance	21,890	21,650
Travelling expenses	45,000	100,455
Telecommunications allowance	31,500	32,024
	<u>479,490</u>	<u>514,544</u>

**TOWN OF PORT HEDLAND
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 01-Jul-16 \$	Estimated Amounts Received \$	Estimated Amounts Paid (\$)	Estimated Balance 30-Jun-17 \$
BCITF Levy	8,756	100,000	(100,000)	8,756
Black Rock Stakes Donations	178	0	0	178
BRB Levy	58,486	50,000	(50,000)	58,486
Building Bonds	22,280	0	0	22,280
Building Retentions	4,616	0	0	4,616
Community Bank	960	0	0	960
DAP Levy	9,672	0	0	9,672
Tidy Towns	4,850	0	0	4,850
Grants for Special Projects	2,200	0	0	2,200
Hall Hire Bonds	8,300	3,000	(3,000)	8,300
Community Bus Bonds	2,780	1,000	(1,000)	2,780
Public Open Space	898	0	0	898
Ranger Services Bonds	2,003	6,000	(6,000)	2,003
Sports Grounds Bonds	22,340	20,000	(20,000)	22,340
Staff Bonds	7,223	0	(7,223)	0
Sundry Receipts	694	0	(694)	0
Technical Services	26,893	20,000	(20,000)	26,893
Unclaimed Money	3,721	0	(3,721)	0
Matt Dann Hire Binds	250	2,000	(2,000)	250
Election Nominations	80	480	(560)	0
Cyclone George Funds	103,410	0	(103,410)	0
	<u>290,590</u>	<u>202,480</u>	<u>(317,608)</u>	<u>175,462</u>

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

17. MAJOR LAND TRANSACTIONS

From time to time, the Town enters in to major land transactions with third parties or on its own. Set out below is a summary of major land transactions previously entered into by the Town, with financial implications relating to the 2016/17 financial year and beyond, together with new major land transactions anticipated to be entered into, that may have financial implications for the 2016/17 financial year and beyond.

For the purpose of future year estimates, 1.0% CPI increase has been assumed for expenditure and 3% for Lease revenue in line with the low inflationary economic environment. Loan repayments are as per individual loan payment schedules.

Kingsford Smith Business Park

(a) Details

Kingsford Smith Business park is an area of land between Wallwork Road and the Port Hedland International Airport. In June 2012, the Town entered into a private treaty arrangement with BHP Billiton Iron Ore (BHPB) to facilitate the subdivision of a portion of an area of land previously known as Precinct 3, now formally known as Kingsford Smith Business Park. Under the arrangement, BHP constructed a 40 lot subdivision, 38 lots of which to be retained by the Town. Lot 34 of the development has been sold to BHPB, with the intention that they utilise the site for a warehouse facility. Should BHPB wish to dispose of the site, the Town holds the first right of refusal. Lot 35 is the subject of a lease agreement between the Town and BHP. The term of the lease is 10 years. In accordance with the terms of the lease, it was proposed that BHP would utilise the land for the purposes of non-residential workforce accommodation, up to 4000 beds.

Handover occurred in the 2014/15 financial year and as such the Town will recognise a non-cash contribution and corresponding non cash asset acquisition (Real Estate Inventory). The Town now has a number of fully serviced lots within the KSBP, available for sale or lease. Proceeds from the sale of Lot 34 has been allocated by the Town to the Strategic Reserve to fund projects from the Strategic Community Plan and the Corporate Business Plan. Any associated rates revenue generated as a result of sale or lease will remain within normal Municipal operations, as will any interest earned on the investment of any such proceeds.

	2016/17 Budget \$	2015/16 Actual \$
(b) Current year transactions		
Operating Revenue		
- Profit on sale	210,000	469,980
Capital Revenue		
- Sale proceeds	460,000	640,244
Operating Expenditure		
- Advertising, Promotion & Marketing	30,000	2,135
- Legal Costs	25,000	25,327
- Valuation, Survey & Search Fees	14,300	0
	<u>69,300</u>	<u>27,462</u>
Capital Expenditure		
- Landscaping	206,238	274,418
	<u>206,238</u>	<u>25,327</u>

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

17. MAJOR LAND TRANSACTIONS - continued

Kingsford Smith Business Park - continued

	2016/17	2017/18	2018/19	2019/20	2020/21	Total
	\$	\$	\$	\$	\$	\$
Cash Outflows						
Landscaping	206,238	0	0	0	0	206,238
Advertising, Promotion & Marketing	30,000	30,300	30,603	30,909	31,218	153,030
Legal Costs	25,000	25,250	25,503	25,758	26,015	127,525
Valuation, Survey & Search Fees	14,300	14,443	14,587	14,733	14,881	72,944
	<u>275,538</u>	<u>69,993</u>	<u>70,693</u>	<u>71,400</u>	<u>72,114</u>	<u>559,738</u>
Cash Inflows						
	460,000	460,000	460,000	460,000	460,000	2,300,000
	<u>460,000</u>	<u>460,000</u>	<u>460,000</u>	<u>460,000</u>	<u>460,000</u>	<u>2,300,000</u>
Net Cash Flows	<u>735,538</u>	<u>529,993</u>	<u>530,693</u>	<u>531,400</u>	<u>532,114</u>	<u>2,859,738</u>

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

17. MAJOR LAND TRANSACTIONS - continued

Catamore Court

(a) Details

Following a Request for Proposal, Council resolved to enter into a Major Land Transaction with Megara Constructions for the construction of housing on a 9,070 square metre parcel of land at Catamore Court, South Hedland. The Town has undertaken subdivision construction works in conjunction with the Department of Housing at a cost of \$1.682m, funded predominantly by way of \$1.618m in loan funds. The subdivision construction is now complete.

The proposal from Megara involves the construction of 12 single family homes to be sold to the general public, and a 8 unit group dwelling that have been retained by the Town for staff housing. Construction of housing was contingent upon the presale of a minimum of 12 of the lots (with Lot 201 to be further subdivided) that will not remain with the Town. Proceeds from the sale of those lots will be held in the Town's Trust Account, and utilised to pay Megara for the construction of the staff houses.

It is anticipated that the Town will also take possession of two further lots 2016/17 financial year, which will be held as land held for resale, associated with the completion of the transaction.

(b) Current year transactions	2016/17 Budget \$	2015/16 Actual \$
Operating Revenue		
- Profit on sale		
Capital Revenue		
- Sale proceeds	150,000	0
Operating Expenditure		
- Interest on Loans	87,078	108,600
Capital Expenditure		
- Purchase of land		
- Development costs	150,000	0
- GST Expenditure		340,815
- Acquisition of Housing		1,127,052
- Loan Repayments	82,938	50,021
	232,938	1,517,888

(c) Expected Future Cash Flows

	2016/17 \$	2017/18 \$	2018/19 \$	2019/20 \$	2020/21 \$	Total \$
Cash Outflows						
Materials and Contracts	150,000	0	0	0	0	150,000
Loan Repayments	82,938	86,508	90,247	94,162	98,260	452,115
Interest on Loans	87,078	83,508	79,769	75,854	71,756	397,965
	320,016	170,016	170,016	170,016	170,016	1,000,080
Cash Inflows						
Sale of Land	150,000	0	0	0	0	0
	150,000	0	0	0	0	0
Net Cash Flows	470,016	170,016	170,016	170,016	170,016	1,000,080

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

17. MAJOR LAND TRANSACTIONS - continued

General Practitioner Housing

(a) Details

During 2010/11, the Town of Port Hedland undertook a General Practitioner (GP) housing project in conjunction with BHP Billiton and the State Government. The total scope of the project provided for a maximum yield of 23 lots. Stage 1 of this project resulted in the construction of seven residential premises for accommodation GP's. The Town funded its \$1.5m contribution by way of a loan. The Town owns the land and the houses.

Following an Expressions of Interest process, the Town allocated four houses to OSH Group and three to Sonic Health Plus on a lease term of three years. For the purposes of cash flow projections, the Town has assumed that a lease of some form, albeit with potentially amended parties and terms, will be entered into at the end of the current lease.

In October 2013, the Town endorsed the Business Case for Stage 2 of the GP Housing Project. The proposal would see the construction of a further 3 houses within the subdivision, to be fully funded and managed by BHP Billiton Iron Ore. The development was completed in December 2014 and the assets gifted to the Town. A non cash contribution and corresponding non cash asset acquisition was incorporated in the 14/15 Budget.

An Expressions of Interest process was completed in November 2014, allocating an additional house to OSH Group, one house to Wirraka Maya Health Service and one house to Port Hedland Family Practice. At the time of disposal of each of these leases, all ten agreements were brought in line with fresh lease terms of 3 years with one option to extend for a further 3 years.

(b) Current year transactions	2016/17 Budget \$	2015/16 Actual \$
Operating Revenue		
- Lease Revenue	359,763	307,209
- Utilities Reimbursement	60,000	14,758
	<u>419,763</u>	<u>321,967</u>
Operating Expenditure		
- Materials and Contracts	20,000	13,439
- Utilities	60,000	31,427
- Depreciation	118,000	117,640
- Insurance	16,675	25,683
- Interest on Loans	63,422	70,134
- Administration Allocation	15,846	43,651
	<u>293,943</u>	<u>301,974</u>
Capital Expenditure		
- Loan Repayments	53,386	50,948
- Development costs	0	0
	<u>53,386</u>	<u>50,948</u>

**TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2017**

17. MAJOR LAND TRANSACTIONS - continued

General Practitioner Housing - continued

(c) Expected Future Cash Flows

	2016/17	2017/18	2018/19	2019/20	2020/21	Total
	\$	\$	\$	\$	\$	\$
Cash Outflows						
Materials and Contracts	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(100,000)
Utilities	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)	(300,000)
Depreciation	(118,000)	(118,000)	(118,000)	(118,000)	(118,000)	(590,000)
Insurance	(16,675)	(16,675)	(16,675)	(16,675)	(16,675)	(83,375)
Interest on Loans	(63,422)	(60,867)	(58,190)	(55,384)	(52,445)	(290,308)
Administration Allocation	(15,846)	(15,846)	(15,846)	(15,846)	(15,846)	(79,230)
Loan Repayments	(53,386)	(55,941)	(58,618)	(61,424)	(64,363)	(293,732)
	<u>(347,329)</u>	<u>(347,329)</u>	<u>(347,329)</u>	<u>(347,329)</u>	<u>(347,329)</u>	<u>(1,736,645)</u>
Cash Inflows						
Lease Revenue	359,763	366,958	374,297	381,783	389,419	1,872,220
Utilities Reimbursement	60,000	60,000	60,000	60,000	60,000	300,000
	<u>419,763</u>	<u>426,958</u>	<u>434,297</u>	<u>441,783</u>	<u>449,419</u>	<u>2,172,220</u>
Net Cash Flows	<u>72,434</u>	<u>79,629</u>	<u>86,969</u>	<u>94,454</u>	<u>102,090</u>	<u>435,576</u>

Capital Expenditure Program

**TOWN OF PORT HEDLAND
CAPITAL WORKS PROGRAM 2016/17**

Capital Project	Asset Class	Asset Management Classification	Expenditure	Funding			
			Budget 2016/17	Municipal Funded	Reserve Funded	Sale of Assets	Grants, Subsidies & Contributions
GENERAL CAPITAL PROJECTS							
Marina Waterfront Development	Parks	New	2,000,000		(2,000,000)		
South Hedland Aquatic Centre Works: Replace filters, sink wastewater tank, replace pipework, replace pumps and install UV filters for leisure pool	Buildings	Renewal	1,740,000		(1,740,000)		
Faye Gladstone Netball Courts Clubroom Upgrade	Buildings	Upgrade	1,212,228		(296,236)		(915,992)
Diesel Generators for Civic Centre, Depot, Landfill and Evacuation Centre	Buildings	New	180,000		(180,000)		
Phase 2 Digital - Complete installation of ToPH digital radio system in vehicles and heavy equipment .	Plant & Equipment	Upgrade	71,000		(71,000)		
South Hedland Aquatic Centre: Install accessibility toilets and change room	Buildings	Upgrade	73,000				(73,000)
Marrapikurinya Park	Parks	Renewal	450,000		(234,000)		(216,000)
Gratwick Pool Remedial Works	Buildings	Renewal	200,000		(200,000)		
Civic Centre HVAC System and Ducting Renewal: Install Rood Space Access Walkway	Buildings	Renewal	420,000		(420,000)		
Minor Plant Replacement	Plant & Equipment	Renewal	38,000	(38,000)			
SAM Speed Alert Sign Board	Plant & Equipment	Renewal	40,000		(40,000)		
Civic Centre: Asset Management Plan Critical Obligations and OHS	Buildings	Renewal	550,000		(550,000)		
Building Renewal and Upgrade program	Buildings	Renewal	400,000		(400,000)		
Staff Housing Renewal and Upgrade Program	Buildings	Renewal	100,000		(100,000)		
Matt Dann Theatre & Cinema: Venue Improvement	Buildings	Renewal	531,566		(531,566)		
GIS Graffiti Module	ICT	New	21,546		(21,546)		
South Hedland Cemetery Upgrade	Other	Renewal	35,000		(35,000)		
Colin Matheson and Kevin Scott Oval Scoreboard Replacement	Buildings	Renewal	268,551		(268,551)		
The Hub Business Case: Combine Multiple Facilities to Single Location	Buildings	New	264,938		(264,938)		
Kingsford Smith Business Park Landscaping	Land	New	206,238		(206,238)		
Finucane Island Boat Ramp	Other	Renewal	145,304	4,348			(149,652)
Caravan Route and Boundary Signage	Signage	Upgrade	49,500		(49,500)		
Marquee Park Compliance & Upgrade Sofffall	Parks	Renewal	300,000		(300,000)		
ICT Hardware Renewal & Upgrades	ICT	Renewal	100,000		(100,000)		
Stage 2 Telecommunications Renewal & Upgrade Project	ICT	Renewal	300,000		(300,000)		
ICT Implementation Plan Projects	ICT	Renewal	100,000		(100,000)		
Upgrade of Kevin Scott Oval / High School Reuse Tanks	Parks	Upgrade	500,000		(500,000)		
Upgrade CCTV Camera Network to include Night Vision	ICT	Upgrade	319,828				(319,828)
Coastal Hazard Management Plan (Marine Protection Study)	Parks	New	100,000	(25,000)			(75,000)
Wanangkura Stadium Protective film on Glazing	Buildings	Renewal	85,000		(85,000)		
Catamore Court Construction Contract Finalisation	Land	New	300,000			(150,000)	(150,000)
Plant Replacement Program	Plant & Equipment	Renewal	215,000		(173,000)	(42,000)	
Community Chest Fund 2016: Tourism Signage	Signage	New	82,000		(55,667)		(26,333)
Total General Capital Projects			11,398,699	(58,652)	(9,222,242)	(192,000)	(1,925,805)

TOWN OF PORT HEDLAND
CAPITAL WORKS PROGRAM 2016/17

Capital Project	Asset Class	Asset Management Classification	Expenditure	Funding			
			Budget 2016/17	Municipal Funded	Reserve Funded	Sale of Assets	Grants, Subsidies & Contributions
ROAD PROGRAM							
Pinga Street - Rehabilitation of Existing Pavement	Roads	Renewal	2,470,863	(100,000)	(723,621)		(1,647,242)
Pinga Street and Cajarina Road Drainage Works	Drainage	Renewal	80,000		(80,000)		
South Headland Aquatic Centre Car Park	Roads	New	450,000		(225,000)		(225,000)
Road Reseal Program	Roads	Renewal	1,250,000		(381,537)		(868,463)
McGregor, Athol, Cooke Point Roundabout Rehabilitation	Roads	Renewal	500,000		(300,000)		(200,000)
Wise Terrace	Roads	Upgrade	135,000		(135,000)		
Yandeyarra Road	Roads	Renewal	197,100		(37,100)		(160,000)
Pippingarra Road Resheeting	Roads	Renewal	180,000	(60,000)			(120,000)
South Hedland Town Centre Stage 2 Landscaping	Roads	Upgrade	1,206,400		(1,206,400)		
Wedgefield Road & Drainage Strategy	Drainage	Upgrade	57,863		(57,863)		
Shoata Road (Design)	Roads	Upgrade	37,715		(37,715)		
Drainage Construction Wanangkura Stadium & Faye Gladstone Netball Courts	Drainage	Upgrade	437,085		(437,085)		
Rebuild Flood Pumps Stage 1	Drainage	Renewal	10,000	(10,000)			
Unsealed Road Resheeting Program	Roads	Renewal	250,000		(250,000)		
Kennedy St / Parker St Intersection	Drainage	Upgrade	280,000		(280,000)		
Total Road Program			7,542,026	(170,000)	(4,151,321)	0	(3,220,705)
WASTE PROJECTS							
Transfer Station Capital Works and 20kL Landfill Fuel Tank; Drainage for Minor Capital Works, Tip Shop and Transfer Station	Landfill	New	710,715		(710,715)		
Septage Pond Remedial Works	Landfill	Upgrade	70,990		(70,990)		
South Hedland Water Treatment Plant	Landfill	Upgrade	1,056,594		(1,056,594)		
Windblown Litter Solution	Landfill	New	158,933		(158,933)		
ICT Hardware Landfill	Landfill	New	59,921		(59,921)		
Central Control Irrigation Waste Water System	Landfill	New	431,106		(431,106)		
Total Waste Projects			2,488,259	0	(2,488,259)	0	0
TOTAL Capital Works Program			21,428,984	(228,652)	(15,861,822)	(192,000)	(5,146,510)

**TOWN OF PORT HEDLAND
ANNUAL ROAD CONSTRUCTION PROGRAM 2016/17**

Roads Program Capital Expenditure	EXPENDITURE	FEDERAL FUNDING SOURCES			STATE FUNDING SOURCES			INTERNAL FUNDING SOURCES					OTHER GRANT INCOME
	Budget 2016/17	Federal Roads to Recovery	Federal Indigenous Access Road Grant (Financial Assistance Grant)	Federal Indigenous Access Road Grant Carry Forward (Unspent Grants Reserve)	Regional Road Group Program Funding Remote Access Roads	Regional Road Group Program Funding Road Project Grants	Country Local Government Fund (Unspent Grants Reserve)	CARRY FORWARD / Unfinished Works & Committed Works Reserve	Asset Management Reserve	PHIA Lease Proceeds Reserve	Developer Contribution Reserve	Municipal	
Pinga Street - Rehabilitation of Existing Pavement	2,470,863					(1,647,242)				(723,621)		(100,000)	
Pinga Street and Cajarina Road Drainage Works	80,000							(80,000)					
South Headland Aquatic Centre Car Park	450,000							(225,000)					(225,000)
Road Reseal Program	1,250,000	(868,463)								(381,537)			
McGregor, Athol, Cooke Point Roundabout Rehabilitation	500,000	(200,000)								(300,000)			
Wise Terrace	135,000						(31,420)		(103,580)				
Yandeyarra Road	197,100		(50,000)	(37,100)	(50,000)	(60,000)							
Pippingarra Road Resheeting	180,000					(120,000)						(60,000)	
South Hedland Town Centre Stage 2 Landscaping	1,206,400											(1,206,400)	
Wedgefield Road & Drainage Strategy	57,863							(57,863)					
Shoata Road (Design)	37,715							(37,715)					
Drainage Construction Wanangkura Stadium & Faye Gladstone Netball Courts	437,085							(140,186)		(296,899)			
Rebuild Flood Pumps Stage 1	10,000											(10,000)	
Unsealed Road Resheeting Program	250,000									(250,000)			
Kennedy St / Parker St Intersection	280,000									(280,000)			
TOTAL Expenditure	7,542,026	(1,068,463)	(50,000)	(37,100)	(50,000)	(1,827,242)	(31,420)	(540,764)	(103,580)	(2,232,057)	(1,206,400)	(170,000)	(225,000)

**TOWN OF PORT HEDLAND
PLANT REPLACEMENT SCHEDULE 2016/17**

Description of Acquisition	Description of Item to be Traded	Asset Number of Item to be Traded	Acquisition Cost	Sale Proceeds	Net Funding Requirement	Written Down Value of Asset to be Traded	Profit / Loss on Disposal of Asset
Sundry Plant							
Blower x 11			5,000	0	5,000	0	0
Whipper x 10			12,500	0	12,500	0	0
Chainsaw			7,500	0	7,500	0	0
Edger			4,500	0	4,500	0	0
Polesaw			5,500	0	5,500	0	0
Hedge Trimmers			3,000	0	3,000	0	0
			38,000	0	38,000	0	0
Engineering Services							
SAM Speed Alert Sign Board Trailer			40,000	0	40,000	0	0
			40,000	0	40,000	0	0
Parks and Reserves							
Flat-Top Trailer			12,273	0	12,273	0	0
Ride-on Mower	VEH105/P12080813	P12080813	47,550	6,000	41,550	6,000	0
Ride-on Mower	VEH106/P12080913	P12080913	47,550	6,000	41,550	6,000	0
Ride-on Mower	VEH107/P12081113	P12081113	36,100	10,000	26,100	10,000	0
Ride-on Mower	VEH108/P12081213	P12081213	36,100	10,000	26,100	10,000	0
Ride-on Mower	VEH109/P12081313	P12081313	36,100	10,000	26,100	10,000	0
			215,673	42,000	173,673	42,000	0
TOTAL			293,673	42,000	251,673	42,000	0

Detailed Operating Statement

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Governance	2,742,069
MEMBERS OF COUNCIL	1,834,612
Council Election Expenses	30,000
E0401110	30,000
Other Expenditure	30,000
Members Of Council	1,804,612
E0401100	1,804,612
Accommodation & Travel Expenses	45,000
Admin Allocations	340,888
Advertising, Promotion & Marketing	10,000
Catering & Meeting Expenses	15,000
Civic Function Expenses	75,000
Consultants	5,000
Deputy Mayoral Allowance	21,888
Elected Members Allowance - General	293,550
Elected Members Allowance - ICT	31,500
Finance Admin Allocation	41,682
Long Service Leave	1,334
Management Admin Allocation	690,520
Mayoral Allowance	87,550
Minor Equipment purchases	2,000
Registration Expenses	45,000
Salaries & Wages	83,366
Subscriptions & Publications	2,000
Superannuation	7,920
Superannuation Co Contribution	3,751
Workers Compensation Insurance	1,663
OTHER GOVERNANCE	907,457
Governance Operations	907,457
E0409100	907,457
Admin Allocations	151,505
Advertising, Promotion & Marketing	22,500
Consultants	50,000
Finance Admin Allocation	37,191
Long Service Leave	7,319
Management Admin Allocation	66,060
Minor Equipment purchases	3,000
Salaries & Wages	461,990
Staff housing allocated	25,000
Subscriptions & Publications	13,400
Superannuation	46,883
Superannuation Co Contribution	13,468
Workers Compensation Insurance	9,141
General Purpose Funding	(31,561,283)
FINANCE & BORROWING	(3,412,824)
Finance & Borrowing	(2,488,664)
R0304100	(2,488,664)
Interest Earned	(328,185)
Interest Earned on Reserves	(2,160,479)
PHIA Long Term Lease	(924,160)
R0304200	(924,160)
Interest Earned on Reserves	(4,548,225)
Lease income	(924,160)
Transfer to Reserves	4,548,225
GENERAL PURPOSE FUNDING	(1,848,085)
Grants Commission - Formula Local Road Grant	(681,330)
R0302200	(681,330)
Operating Grants - Commonwealth	(681,330)
Grants Commission - General Purpose Grant	(1,166,755)
R0302100	(1,166,755)
Operating Grants - Commonwealth	(1,166,755)
OTHER GENERAL PURPOSE FUNDING	(2,507,281)
General Purpose Income	(2,507,281)
R0303100	(2,507,281)
Return on investment	(2,507,281)

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
RATES	(23,793,093)
Rates Administration	340,852
E0301100	340,852
Admin Allocations	37,876
Fee Waiver	7,500
Finance Admin Allocation	14,107
Legal Expenses	50,000
Long Service Leave	1,698
Management Admin Allocation	41,287
Printing & Stationery	12,000
Rates Written Off	1,000
Salaries & Wages	108,354
Superannuation	10,093
Superannuation Co Contribution	4,781
Valuation, Survey & Search Fees	50,000
Workers Compensation Insurance	2,156
Rates Revenue	(24,133,945)
R0301100	(24,133,945)
Dishonoured Items Direct Debit	(5,500)
ESL Administration Fee	(10,500)
Installment Admin Fee	(90,000)
Installment Interest Charge	(115,000)
Late Payment Penalty	(175,000)
Legal Reimbursement Income	(50,000)
Rate Concessions	184,158
Rates Interim Levies	(100,000)
Rates Levied GRV	(21,141,715)
Rates Levied GRV Minimum	(1,127,700)
Rates Levied UV	(1,470,968)
Rates Levied UV Minimum	(27,720)
Search Fees	(4,000)
Law, Order & Public Safety	2,611,848
ANIMAL CONTROL	1,532,836
Animal Control Fines Enforcement Revenue	(30,000)
R0502110	(30,000)
Fines & Penalties	(30,000)
Animal Control Operations	1,602,336
E0502100	1,602,336
Admin Allocations	303,011
Advertising, Promotion & Marketing	2,000
Consumables	500
Contractors - Trade	2,000
Finance Admin Allocation	53,887
Licence Expenses	150
Long Service Leave	11,471
Management Admin Allocation	158,632
Materials and Parts Expenses	600
Minor Equipment purchases	5,000
Plant Overhead Recovery	141,098
Printing & Stationery	3,000
Registration Expenses	20,000
Salaries & Wages	761,055
Staff housing allocated	25,000
Superannuation	67,766
Superannuation Co Contribution	32,100
Workers Compensation Insurance	15,066
Animal Control Revenue	(56,000)
R0502100	(56,000)
Equipment Hire Fees	(1,000)
Fines & Penalties	(30,000)
Registration Fees	(25,000)
Pound Operations	16,500
E0502200	16,500
Consumables	500
Contractors - Trade	4,500
Disposal Expenses	10,000
Materials and Parts Expenses	1,500

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
FIRE PREVENTION	54,000
Fire Fighting Equipment	4,000
E0501200	4,000
OHS and PPE Expenses	4,000
Fire Mitigation Programme	50,000
E0501100	50,000
Contractors - Trade	40,000
External Plant & Equipment Hire	10,000
OTHER LAW, ORDER & PUBLIC SAFETY	1,025,012
CCTV Maintenance	190,020
E0503300	190,020
Contractors - Trade	175,000
Insurance Premiums	15,020
Community Safety Projects	5,000
E0503200	5,000
Advertising, Promotion & Marketing	2,000
Materials and Parts Expenses	3,000
Emergency Management	238,221
E0503500	238,221
Admin Allocations	37,876
Consultants	8,000
Consumables	7,000
Contractors - Trade	5,000
External Plant & Equipment Hire	30,000
Finance Admin Allocation	9,731
Long Service Leave	1,650
Management Admin Allocation	19,829
Salaries & Wages	103,160
Superannuation	9,800
Superannuation Co Contribution	4,126
Workers Compensation Insurance	2,049
Emergency Management Grants	-
R0503500	-
Operating Grants - State Government	-
Other Law Order & Public Safety Administration	587,223
E0503100	587,223
Contractors - Trade	22,000
Depreciation - Buildings	4,000
Depreciation - Furniture & Equipment	500,000
Finance Admin Allocation	29,972
Plant Overhead Recovery	31,251
Other Law Order & Public Safety Revenue	(30,000)
R0503100	(30,000)
Fines & Penalties	(20,000)
Impounded Vehicle Charges	(5,000)
Sale of Impounded Items	(5,000)
State Emergency Services Operating	119,480
E0503400	119,480
Depreciation - Buildings	24,200
Depreciation - Plant & Equipment	5,500
Donations & Contributions	73,500
Finance Admin Allocation	6,441
Insurance Premiums	2,907
Interest On Loans	6,932
State Emergency Services Operating Grant	(84,932)
R0503400	(84,932)
Operating Grants - State Government	(62,687)
Reimbursement Income	(4,500)
Self Supporting Loan Income (Interest)	(6,932)
Transfer from Reserves	(10,813)

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Health	857,071
HEALTH INSPECTION & ADMINISTRATION	884,495
Health Inspection & Administration Operations	854,942
E0702100	854,942
Admin Allocations	151,505
Consultants	8,000
Depreciation - Plant & Equipment	2,900
Finance Admin Allocation	30,531
Long Service Leave	6,730
Management Admin Allocation	79,316
Minor Equipment purchases	3,000
OHS and PPE Expenses	500
Plant Overhead Recovery	57,763
Printing & Stationery	300
Salaries & Wages	418,310
Sampling Expenses	4,600
Staff housing allocated	25,000
Subscriptions & Publications	2,500
Superannuation	43,326
Superannuation Co Contribution	12,366
Workers Compensation Insurance	8,295
Health Inspection & Administration Projects	104,239
E0702150	104,239
Contractors - Trade	104,239
Health Inspection & Administration Revenue	(74,686)
R0702100	(74,686)
Licence : Caravan Parks	(3,336)
Licence : Eating House	(30,000)
Licence : Lodging House	(2,000)
Licence : Sewage Apparatus	(4,000)
Licence : Trading Public Place	(15,000)
Reimbursement Income	(1,000)
Transfer from Reserves	(19,350)
MATERNAL & INFANT HEALTH	73,500
Maternal & Infant Health - Depreciation on Assets	73,500
E0701100	73,500
Depreciation - Buildings	73,500
OTHER HEALTH	(125,820)
General Practitioner (Gp) Housing Operations	293,943
E0709100	293,943
Contractors - Trade	20,000
Depreciation - Buildings	118,000
Finance Admin Allocation	15,846
Insurance Premiums	16,675
Interest On Loans	63,422
Water	60,000
General Practitioner (Gp) Housing Revenue	(419,763)
R0709100	(419,763)
Lease income	(359,763)
Reimbursement: Water	(60,000)
PEST CONTROL	24,896
Pest Control Operations	25,896
E0703100	25,896
Consumables	15,500
External Plant & Equipment Hire	5,000
Finance Admin Allocation	1,396
Materials and Parts Expenses	4,000
Pest Control Revenue	(1,000)
R0703100	(1,000)
Operating Grants - State Government	(1,000)

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Education & Welfare	3,342,062
AGED AND DISABLED - OTHER	233,114
Home & Community Care Building Revenue	(2,500)
R0809200	(2,500)
Lease income	(2,500)
Retirement Village Building Operations	155,614
E0809100	155,614
Contractors - Trade	30,000
Depreciation - Buildings	113,000
Insurance Premiums	12,614
Home & Community Care Building Operations	80,000
E0809200	80,000
Depreciation - Buildings	80,000
CARE OF FAMILIES AND CHILDREN	16,767
Len Taplin Building Operations	18,366
E0803100	18,366
Contractors - Trade	5,500
Insurance Premiums	5,866
Water	7,000
Len Taplin Building Operations Revenue	(7,000)
R0803100	(7,000)
Reimbursement: Water	(7,000)
Rose Nowers Building Operations	5,401
E0803200	5,401
Contractors - Trade	3,000
Insurance Premiums	2,401
Community Services & Development	170,025
Community Donations	170,025
E0810800	170,025
Donations & Contributions	170,025
OTHER WELFARE	2,922,156
Andrew McLaughlin Community Centre Maintenance	166,474
E0810650	166,474
Contractors - Trade	10,000
Depreciation - Buildings	147,500
Finance Admin Allocation	8,974
Community Services & Development Administration	1,038,298
E0810100	1,038,298
Admin Allocations	151,505
Consultants	15,000
Depreciation - Buildings	34,000
Depreciation - Furniture & Equipment	4,000
Donations & Contributions	35,000
Finance Admin Allocation	41,081
Long Service Leave	8,061
Management Admin Allocation	42,741
Plant Overhead Recovery	82,133
Salaries & Wages	498,079
Staff housing allocated	50,000
Superannuation	50,811
Superannuation Co Contribution	16,001
Workers Compensation Insurance	9,886
J D Hardie Centre Building Maintenance	80,000
E0810220	80,000
Contractors - Trade	80,000
J D Hardie Centre Ground Maintenance	3,000
E0810210	3,000
Contractors - Trade	3,000
J D Hardie Centre Workshop Programs	80,000
E0810230	80,000
Materials and Parts Expenses	80,000

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
J D Hardie Centre Administration	1,656,821
E0810200	1,656,821
Admin Allocations	248,190
Advertising, Promotion & Marketing	7,000
Consumables	2,000
Contractors - Cleaning	53,000
Contractors - Trade	1,800
Depreciation - Buildings	259,000
Depreciation - Furniture & Equipment	5,800
Electricity	167,000
Finance Admin Allocation	71,643
Gas	500
Insurance Premiums	28,705
Interest On Loans	138,526
Kiosk Purchases	20,000
Licence Expenses	2,300
Long Service Leave	7,490
Management Admin Allocation	70,008
Minor Equipment purchases	10,000
Plant Overhead Recovery	9,663
Salaries & Wages	473,129
Security	3,000
Superannuation	44,874
Superannuation Co Contribution	21,256
Water	2,500
Workers Compensation Insurance	9,437
J D Hardie Centre Revenue	(187,794)
R0810200	(187,794)
Casual Venue Hire	(50,000)
Fees & Charges: Discretionary	(24,000)
Kiosk Sales	(30,000)
Lease income	(36,794)
Reimbursement: Electricity	(27,000)
Transfer from Reserves	(20,000)
Other Welfare Building Operations	15,357
E0810600	15,357
Contractors - Trade	5,000
Insurance Premiums	10,357
Reconciliation Plan	50,000
E0810150	50,000
Consultants	50,000
RFDS Donation	20,000
E0810700	20,000
Donations & Contributions	20,000
Housing	42
OTHER HOUSING	1
Building Maintenance Overheads	1
E0909200	1
Admin Allocations	113,629
Annual Leave	27,256
Depot Meetings	15,263
Finance Admin Allocation	32,179
Labour O/H	(371,962)
Long Service Leave	4,530
Management Admin Allocation	33,863
Public Holidays	13,083
PWO Allocation	75,969
Sick Leave	10,902
Superannuation	26,895
Superannuation Co Contribution	12,740
Workers Compensation Insurance	5,654

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
STAFF HOUSING	41
Staff Housing Operations	532,041
E0901100	532,041
Contractors - Trade	100,000
Depreciation - Buildings	368,000
Electricity	35,000
Finance Admin Allocation	28,682
Gas	2,000
Insurance Premiums	48,196
Interest On Loans	283,743
Materials and Parts Expenses	64,882
Minor Equipment purchases	40,000
Staff housing allocated	(798,518)
Staff Rent expense	272,056
Telephone	5,000
Water	83,000
Staff Housing Revenue	(532,000)
R0901100	(532,000)
Reimbursement: Electricity	(3,000)
Reimbursement: Water	(7,000)
Staff housing rent	(522,000)
Community Amenities	882,550
OTHER COMMUNITY AMENITIES	418,993
Cemetery Grave Digging and Plaque Installation	57,338
E1007310	57,338
Labour O/H	28,845
Plant Overhead Recovery	13,167
Salaries & Wages	15,326
Cemetery Ground Maintenance	126,096
E1007300	126,096
Contractors - Trade	24,000
Labour O/H	52,171
Materials and Parts Expenses	13,570
Plant Overhead Recovery	12,459
Salaries & Wages	23,896
Cemetery Revenue	(16,000)
R1007100	(16,000)
Fees & Charges: Regulatory	(16,000)
Community Contributions: Mia Mia	0
R1007500	0
Contributions - Operating	(464,845)
Transfer to Reserves	464,845
Other Community Amenities Operations	201,100
E1007200	201,100
Depreciation - Buildings	197,000
Depreciation - Infrastructure - Depot & Other	3,100
Depreciation - Plant & Equipment	1,000
Public Conveniences Building Maintenance	13,000
E1007410	13,000
Contractors - Trade	13,000
Public Conveniences Operations	28,561
E1007400	28,561
Electricity	1,000
Finance Admin Allocation	1,540
Insurance Premiums	11,021
Water	15,000
Underground Power Administration	8,897
E1007100	8,897
Interest On Loans	8,897
PROTECTION OF ENVIRONMENT	(4,115)
Beach & Foreshore Maintenance	29,285
E1012100	29,285
Labour O/H	13,603
Landfill Internal Disposal Charges	1,200
Materials and Parts Expenses	4,000
Plant Overhead Recovery	3,255
Salaries & Wages	7,227

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Foreshore Rehabilitation Revenue	(43,644)
R1012100	(43,644)
Operating Grants - State Government	(34,644)
Transfer from Reserves	(9,000)
Turtle Board Maintenance	10,244
E1012200	10,244
Labour O/H	3,344
Landfill Internal Disposal Charges	500
Materials and Parts Expenses	2,400
Plant Overhead Recovery	2,223
Salaries & Wages	1,777
SANITATION - HOUSEHOLD	(1,815,106)
Classic Collection Revenue	(2,683,297)
R1004100	(2,683,297)
Bin Replacement Fee	(80,060)
Fees & Charges: Discretionary	(2,603,238)
Classic Collection Service	1,356,666
E1004100	1,356,666
Admin Allocations	189,382
Finance Admin Allocation	12,384
Labour O/H	126,945
Landfill Internal Disposal Charges	412,426
Management Admin Allocation	67,716
Materials and Parts Expenses	86,055
Plant Overhead Recovery	330,475
Salaries & Wages	131,283
Landfill Building Maintenance	-
E1004510	-
Contractors - Trade	-
Landfill Management	6,748,148
E1004500	6,748,148
Contract Service Providers	717,000
Insurance Premiums	18,144
Labour O/H	1,927,979
Plant Overhead Recovery	872,268
Return on investment	2,507,281
Salaries & Wages	705,476
Landfill Revenue	(7,640,288)
R1004500	(7,640,288)
Contributions - Operating	(500,000)
General Tipping Fees	(2,542,698)
Hazardous Waste:Asbestos	(2,036,018)
Landfill Internal Recoup Charges	(735,845)
Liquid Waste Fees	(1,701,163)
Scrap Metal & Recyclables Fees	(4,545)
Tyre Disposal fees	(110,353)
Washdown Fees	(9,664)
Landfill Road, Ground, Litter Maintenance & Repairs	400,164
E1004520	400,164
Labour O/H	126,118
Plant Overhead Recovery	147,928
Salaries & Wages	126,118
Pensioner waste consession	3,500
E1004750	3,500
Fee Waiver	3,500

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
SANITATION OTHER	1,279,503
Cyclone Response Expenditure	50,000
E1005210	50,000
Advertising, Promotion & Marketing	50,000
Landfill Overheads	(1)
E1005110	(1)
Admin Allocations	312,498
Annual Leave	66,073
Consultants	147,022
Consumables	96,450
Contractors - Cleaning	10,000
Contractors - Trade	15,000
Depot Meetings	34,358
Depreciation - Buildings	1,400
Depreciation - Furniture & Equipment	1,300
Depreciation - Infrastructure - Depot & Other	54,000
Depreciation - Plant & Equipment	900
Electricity	22,200
Engineering Allocation	210,148
External Plant & Equipment Hire	50,000
Finance Admin Allocation	539,695
Labour O/H	(2,054,097)
Licence Expenses	72,000
Long Service Leave	12,388
Management Admin Allocation	93,109
Materials and Parts Expenses	26,000
Plant Overhead Recovery	9,404
Printing & Stationery	13,633
Public Holidays	31,715
Salaries & Wages	42,514
Sampling Expenses	3,463
Sick Leave	26,249
Staff housing allocated	17,396
Superannuation	71,526
Superannuation Co Contribution	33,881
Water	23,000
Workers Compensation Insurance	16,773
Litter Collection	1,041,549
E1005100	1,041,549
Admin Allocations	227,258
Consultants	3,605
Finance Admin Allocation	17,290
Labour O/H	287,132
Landfill Internal Disposal Charges	7,830
Management Admin Allocation	56,430
Materials and Parts Expenses	3,585
Plant Overhead Recovery	142,170
Salaries & Wages	296,249
Pre Cyclone Clean Up	187,954
E1005200	187,954
Contractors - Trade	30,500
Labour O/H	66,056
Landfill Internal Disposal Charges	15,994
Materials and Parts Expenses	10,000
Plant Overhead Recovery	30,303
Salaries & Wages	35,101
TOWN PLANNING/REGIONAL DEVELOPMENT	1,003,276
Local Planning Scheme Development & Review	150,000
E1006110	150,000
Consultants	150,000
Development Assessment Panel	5,000
E1006120	5,000
Consultants	5,000
Growth Plan	50,000
E1006140	50,000
Consultants	50,000

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Local Heritage Register (Municipal Inventory)	20,000
E1006130	20,000
Consultants	20,000
Town Planning/Regional Development Administration	1,062,451
E1006100	1,062,451
Admin Allocations	151,505
Advertising, Promotion & Marketing	7,000
Finance Admin Allocation	36,741
Legal Expenses	50,000
Long Service Leave	6,968
Management Admin Allocation	128,889
Materials and Parts Expenses	3,000
Plant Overhead Recovery	100,517
Salaries & Wages	434,842
Staff housing allocated	75,000
Superannuation	43,232
Superannuation Co Contribution	16,109
Workers Compensation Insurance	8,648
Town Planning/Regional Development Revenue	(284,175)
R1006100	(284,175)
Fines & Penalties	(1,000)
Transfer from Reserves	(123,175)
Town Planning Fees Regulatory	(160,000)
Recreation & Culture	19,999,710
LIBRARIES	1,038,691
Grant Funded Library Projects	20,696
E1115500	20,696
Materials and Parts Expenses	20,696
Libraries - Childrens Activities	18,300
E1115300	18,300
Materials and Parts Expenses	18,300
Libraries - Childrens Book Week Grant	(16,307)
R1115300	(16,307)
Operating Grants - State Government	(12,548)
Transfer from Reserves	(3,759)
Libraries - Liswa Regional Costs	17,500
E1115400	17,500
Accommodation & Travel Expenses	17,500
Libraries - Revenue	(65,869)
R1115200	(65,869)
Fees & Charges: Discretionary	(35,000)
Operating Grants - State Government	(26,869)
Transfer from Reserves	(4,000)

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Libraries Administration	1,039,371
E1115100	1,039,371
Admin Allocations	173,474
Advertising, Promotion & Marketing	7,700
Contractors - Cleaning	32,000
Contractors - Trade	1,800
Depreciation - Buildings	103,000
Depreciation - Furniture & Equipment	11,400
Depreciation - Infrastructure - Parks & Ovals	600
Depreciation - Plant & Equipment	1,200
Electricity	22,500
Finance Admin Allocation	41,956
Freight Expenses	3,000
Insurance Premiums	12,630
Long Service Leave	6,368
Management Admin Allocation	48,932
Minor Equipment purchases	7,400
Other Expenditure	5,200
Plant Overhead Recovery	38,689
Postage	1,200
Printing & Stationery	1,300
Salaries & Wages	400,523
Staff housing allocated	25,000
Subscriptions & Publications	18,800
Superannuation	37,807
Superannuation Co Contribution	17,908
Water	11,000
Workers Compensation Insurance	7,984
Port Hedland Library - Building Maintenance	10,000
E1115110	10,000
Contractors - Trade	10,000
South Hedland Library Building Maintenance	15,000
E1115210	15,000
Contractors - Trade	15,000
OTHER CULTURE	3,187,319
Community & Events Services Administration	841,589
E1118100	841,589
Admin Allocations	174,181
Finance Admin Allocation	29,916
Insurance Premiums	40,605
Long Service Leave	6,230
Management Admin Allocation	49,132
Plant Overhead Recovery	63,332
Salaries & Wages	391,149
Staff housing allocated	25,000
Superannuation	36,812
Superannuation Co Contribution	17,437
Workers Compensation Insurance	7,795
Community Activation	63,449
E1118130	63,449
Long Service Leave	863
Salaries & Wages	53,956
Superannuation	6,202
Superannuation Co Contribution	2,428
Community Bus Hire Revenue	-
R1118100	-
Fees & Charges: Discretionary	-
Community Events Income	(80,000)
R1118120	(80,000)
Contributions - Operating	(80,000)
Community Youth Initiatives	52,000
E1118110	52,000
Materials and Parts Expenses	52,000

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Courthouse/Community Arts Operations	550,526
E1118200	550,526
Contract Service Providers	418,130
Contractors - Trade	10,000
Depreciation - Buildings	71,500
Depreciation - Infrastructure - Parks & Ovals	1,900
Finance Admin Allocation	29,678
Insurance Premiums	9,318
Water	10,000
Courthouse/Community Arts Revenue	(10,000)
R1118200	(10,000)
Reimbursement: Water	(10,000)
Matt Dann Cultural Centre - Building Maintenance	4,000
E1118310	4,000
Contractors - Trade	4,000
Matt Dann Cultural Centre - Equipment Maintenance	25,000
E1118320	25,000
Contractors - Trade	25,000
Matt Dann Cultural Centre Administration	1,250,823
E1118300	1,250,823
Admin Allocations	166,506
Advertising, Promotion & Marketing	50,000
Contractors - Cleaning	24,500
Depreciation - Furniture & Equipment	14,500
Depreciation - Plant & Equipment	44,000
Electricity	112,500
Finance Admin Allocation	55,105
Insurance Premiums	1,298
Kiosk Purchases	35,000
Long Service Leave	5,766
Management Admin Allocation	46,967
Materials and Parts Expenses	33,000
Minor Equipment purchases	8,200
Movie Expenses	84,000
Other Employee Costs	7,054
Other Expenditure	128,000
Plant Overhead Recovery	15,166
Salaries & Wages	361,721
Superannuation	34,152
Superannuation Co Contribution	16,177
Workers Compensation Insurance	7,211
Matt Dann Cultural Centre Revenue	(372,750)
R1118300	(372,750)
Cultural Performances	(45,000)
General Hire	(36,000)
Kiosk Sales	(55,000)
Movie Tickets	(158,000)
Reimbursement: Electricity	(78,750)
North West Festival	1,155,500
E1118900	1,155,500
Donations & Contributions	1,155,500
North West Festival Income	(576,818)
R1118900	(576,818)
Contributions - Operating	(576,818)
TOPH Community Events	293,500
E1118120	293,500
Landfill Internal Disposal Charges	30,000
Materials and Parts Expenses	263,500
Youth Events Revenue	(9,500)
R1118110	(9,500)
Contributions - Operating	(7,500)
Transfer from Reserves	(2,000)
OTHER RECREATION AND SPORT	11,753,230
Colin Matheson Club Rooms & Jim Caffey Memorial Hall Revenue	(12,500)
R1108520	(12,500)
Fees & Charges: Discretionary	(12,500)

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Golf Course Operations	13,000
E1108830	13,000
Water	13,000
Golf Course Reimbursement Revenue	(13,000)
R1108830	(13,000)
Reimbursement: Water	(13,000)
Graffiti Removal	556,459
E1108810	556,459
Labour O/H	211,171
Materials and Parts Expenses	15,302
Plant Overhead Recovery	111,110
Salaries & Wages	217,876
Water	1,000
Irrigation Maintenance Sportsgrounds	425,352
E1108210	425,352
Contractors - Trade	18,800
Labour O/H	187,772
Materials and Parts Expenses	108,800
Plant Overhead Recovery	23,974
Salaries & Wages	86,006
Irrigation Parks and Gardens (Passive)	750,182
E1108220	750,182
Contractors - Trade	18,800
Labour O/H	320,799
Materials and Parts Expenses	220,905
Plant Overhead Recovery	42,739
Salaries & Wages	146,939
Kidsport	8,000
E1108140	8,000
Registration Expenses	8,000
Marquee Park - Building Maintenance	25,000
E1108710	25,000
Contractors - Trade	25,000
Marquee Park - Facility Maintenance	85,000
E1108730	85,000
Contractors - Trade	85,000
Marquee Park - Ground Maintenance	197,475
E1108720	197,475
Contractors - Trade	45,020
Labour O/H	53,439
Materials and Parts Expenses	50,775
Plant Overhead Recovery	23,785
Salaries & Wages	24,456
Marquee Park Operations	866,853
E1108700	866,853
Contract Service Providers	40,000
Depreciation - Buildings	62,000
Depreciation - Furniture & Equipment	9,100
Depreciation - Infrastructure - Parks & Ovals	305,000
Electricity	44,000
Finance Admin Allocation	46,731
Insurance Premiums	16,665
Interest On Loans	242,357
Security	30,000
Water	71,000
Oval Mowing Revenue	(174,250)
R1108840	(174,250)
Reimbursement Income	(174,250)
Parks Maintenance Sportsgrounds	4,116,141
E1108200	4,116,141
Contractors - Trade	215,400
Labour O/H	1,970,630
Landfill Internal Disposal Charges	76,761
Materials and Parts Expenses	387,760
Plant Overhead Recovery	538,619
Salaries & Wages	926,971

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Playground Equipment Maintenance	111,724
E1108800	111,724
Labour O/H	39,774
Materials and Parts Expenses	50,000
Plant Overhead Recovery	3,729
Salaries & Wages	18,221
Port Hedland Sportsgrounds Building Maintenance	30,980
E1108410	30,980
Contractors - Trade	30,000
Plant Overhead Recovery	980
Port Hedland Sportsgrounds Lights Maintenance	19,500
E1108420	19,500
Contractors - Trade	19,500
Port Hedland Sportsgrounds Operations	1,181,862
E1108400	1,181,862
Contractors - Cleaning	20,000
Depreciation - Buildings	182,900
Depreciation - Infrastructure - Parks & Ovals	740,000
Electricity	95,000
External Plant & Equipment Hire	52,000
Finance Admin Allocation	63,713
Insurance Premiums	28,249
Port Hedland Sportsgrounds Revenue	(35,500)
R1108400	(35,500)
Casual Venue Hire	(15,500)
Reimbursement: Electricity	(20,000)
Recreation Minor Events	75,000
E1108150	75,000
Advertising, Promotion & Marketing	25,000
Contractors - Trade	50,000
Recreation Administration	127,500
E1108100	127,500
Consultants	40,000
Depreciation - Furniture & Equipment	3,500
Depreciation - Infrastructure - Footpaths	12,000
Depreciation - Infrastructure - Parks & Ovals	72,000
Recreation Administration Revenue	(124,000)
R1108100	(124,000)
Fees & Charges: Discretionary	(14,500)
Operating Grants - Other	(9,500)
Operating Grants - State Government	(60,000)
Transfer from Reserves	(40,000)
Recreation Club Development	28,500
E1108110	28,500
Consultants	28,500
Recreation Requests Grounds Improvements	50,000
E1108310	50,000
Contractors - Trade	50,000
School Oval Mowing	283,207
E1108840	283,207
Labour O/H	135,146
Materials and Parts Expenses	19,560
Plant Overhead Recovery	66,597
Salaries & Wages	61,904
Self Supporting Loan Income (Interest): Ph Yacht Club (126 & 128)	(32,632)
R1108910	(32,632)
Self Supporting Loan Income (Interest)	(32,632)
Self Supporting Loan Income (Interest): SH Bowling & Tennis Club (138)	(24,271)
R1108900	(24,271)
Self Supporting Loan Income (Interest)	(24,271)
Skate Park Maintenance	10,000
E1108850	10,000
Contractors - Trade	10,000
South Hedland Bowls & Tennis Club SSL Interest Expense (138)	24,271
E1108900	24,271
Interest On Loans	24,271

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
South Hedland Sportsgrounds Building Maintenance	15,327
E1108510	15,327
Contractors - Trade	15,000
Plant Overhead Recovery	327
South Hedland Sportsgrounds Irrigation	422,200
E1108530	422,200
Depreciation - Infrastructure - Parks & Ovals	420,000
Depreciation - Plant & Equipment	2,200
South Hedland Sportsgrounds Lights Maintenance	50,000
E1108520	50,000
Contractors - Trade	50,000
South Hedland Sportsgrounds Operations	434,257
E1108500	434,257
Depreciation - Buildings	50,500
Depreciation - Furniture & Equipment	300
Electricity	45,000
Finance Admin Allocation	23,410
Insurance Premiums	15,047
Water	300,000
South Hedland Sportsgrounds Revenue	(36,000)
R1108500	(36,000)
Casual Venue Hire	(30,000)
Fees & Charges: Discretionary	(6,000)
Operating Grants - Other	(12,000)
Transfer to Reserves	12,000
Wanangkura Stadium - Contribution : FMG Memberships and YMCA Spin Bike Cont.	(500,000)
R1108650	(500,000)
Contributions - Operating	(500,000)
Wanangkura Stadium - FMG Memberships : YMCA	250,000
E1108650	250,000
Donations & Contributions	250,000
Transfer to Reserves	-
Wanangkura Stadium Building Maintenance	30,000
E1108610	30,000
Contractors - Trade	30,000
Wanangkura Stadium Operations	2,345,113
E1108600	2,345,113
Contractors - Trade	492,871
Depreciation - Buildings	803,000
Depreciation - Furniture & Equipment	63,500
Depreciation - Infrastructure - Footpaths	10,200
Depreciation - Infrastructure - Parks & Ovals	21,500
Depreciation - Plant & Equipment	21,000
Finance Admin Allocation	126,423
Gas	14,175
Insurance Premiums	325,645
Interest On Loans	460,521
Telephone	2,078
Water	4,200
Wanangkura Stadium Reimbursement revenue	(20,453)
R1108600	(20,453)
Reimbursement: Electricity	(2,078)
Reimbursement: Water	(4,200)
Reimbursement Income	(14,175)
Weed & Pest Control	160,301
E1108820	160,301
Labour O/H	48,434
Materials and Parts Expenses	83,580
Plant Overhead Recovery	6,101
Salaries & Wages	22,186
Yacht Club SSL Loan (126 & 128)	32,632
E1108910	32,632
Interest On Loans	32,632

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
PUBLIC HALLS AND CIVIC CENTRES	520,919
Port Hedland Civic Centre Building Maintenance	69,474
E1102110	69,474
Contractors - Trade	66,860
Plant Overhead Recovery	2,614
Port Hedland Civic Centre Building Operations	451,445
E1102100	451,445
Depreciation - Buildings	241,500
Depreciation - Infrastructure - Footpaths	1,000
Depreciation - Plant & Equipment	900
Electricity	105,000
Finance Admin Allocation	24,337
Insurance Premiums	33,708
Materials and Parts Expenses	25,000
Water	20,000
SWIMMING AREAS AND BEACHES	3,499,552
Beaches/Foreshore Operations	89,000
E1105300	89,000
Contractors - Trade	9,000
Depreciation - Infrastructure - Parks & Ovals	80,000
Gratwick Aquatic Centre Operation Costs	1,185,120
E1105100	1,185,120
Contract Service Providers	803,993
Depreciation - Buildings	106,000
Depreciation - Infrastructure - Footpaths	6,000
Depreciation - Infrastructure - Parks & Ovals	112,500
Depreciation - Plant & Equipment	5,700
Finance Admin Allocation	63,889
Insurance Premiums	12,705
Materials and Parts Expenses	32,000
Water	42,333
Gratwick Olympic Pool Maintenance	50,000
E1105110	50,000
Contractors - Trade	50,000
Gratwick Olympic Pool Revenue	(74,333)
R1105100	(74,333)
Operating Grants - State Government	(32,000)
Reimbursement: Water	(42,333)
SHAC Aquatic Centre Operation Costs	2,625,767
E1105200	2,625,767
Contractors - Trade	1,180,258
Depreciation - Buildings	235,400
Depreciation - Infrastructure - Footpaths	15,800
Depreciation - Infrastructure - Parks & Ovals	619,000
Finance Admin Allocation	124,302
Insurance Premiums	29,700
Materials and Parts Expenses	43,405
Telephone	3,900
Transfer to Reserves	320,000
Water	54,002
SHAC Aquatic Centre Revenue	(406,002)
R1105200	(406,002)
Operating Grants - State Government	(32,000)
Reimbursement: Water	(54,002)
Reimbursement Income	(320,000)
South Hedland Aquatic Centre Maintenance	30,000
E1105210	30,000
Contractors - Trade	30,000

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Transport	11,709,672
AERODROMES AND AIRPORTS	-
Airport Projects Expenditure	-
E1210100	-
Contractors - Trade	15,872,130
Contributions - Operating	(3,517,717)
Transfer from Reserves	(15,872,130)
Transfer to Reserves	3,517,717
STREETS, ROADS, BRIDGES ,DEPOTS	11,636,909
Depot Operations	677,199
E1201200	677,199
Consumables	213,100
Contractors - Cleaning	72,000
Contractors - Trade	72,000
Depreciation - Buildings	86,500
Depreciation - Furniture & Equipment	21,000
Depreciation - Infrastructure - Depot & Other	15,000
Depreciation - Plant & Equipment	2,000
Electricity	90,000
Lease Expense	62,932
Water	42,667
Engineering Management	6,891,685
E1201100	6,891,685
Depreciation - Infrastructure - Bridges	183,000
Depreciation - Infrastructure - Bus Shelters	11,000
Depreciation - Infrastructure - Depot & Other	13,000
Depreciation - Infrastructure - Drainage	306,000
Depreciation - Infrastructure - Footpaths	695,000
Depreciation - Infrastructure - Roads	4,210,000
Depreciation - Plant & Equipment	3,000
Engineering Allocation	420,297
Insurance Premiums	18,876
Long Service Leave	11,556
Plant Overhead Recovery	87,428
Salaries & Wages	720,810
Staff housing allocated	91,621
Superannuation	68,319
Superannuation Co Contribution	32,362
Telephone	5,040
Workers Compensation Insurance	14,376
Footpath Sweeping	182,764
E1201520	182,764
Labour O/H	39,481
Plant Overhead Recovery	101,548
Salaries & Wages	40,735
Water	1,000
Infrastructure Construction - MRWA : Direct Grant	(161,479)
R1201310	(161,479)
Operating Grants - State Government	(161,479)
Infrastructure Maintenance Crossover Subsidy	4,660
E1201350	4,660
Fee Waiver	4,660
Infrastructure Maintenance Depot Building Maintenance	47,680
E1201310	47,680
Contractors - Trade	18,609
Landfill Internal Disposal Charges	500
Materials and Parts Expenses	18,400
Plant Direct	638
Salaries & Wages	9,533
Infrastructure Maintenance Drainage Maintenance	414,003
E1201300	414,003
Labour O/H	131,996
Landfill Internal Disposal Charges	66,164
Materials and Parts Expenses	12,000
Plant Overhead Recovery	128,917
Salaries & Wages	70,126
Water	4,800

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Infrastructure Maintenance Footpath Maintenance	123,849
E1201390	123,849
Labour O/H	49,225
Landfill Internal Disposal Charges	2,000
Materials and Parts Expenses	20,000
Plant Overhead Recovery	26,368
Salaries & Wages	26,156
Water	100
Infrastructure Maintenance Kerb Maintenance	132,974
E1201380	132,974
Labour O/H	49,225
Materials and Parts Expenses	27,000
Plant Overhead Recovery	30,593
Salaries & Wages	26,156
Infrastructure Maintenance Revenue	(243,125)
R1201300	(243,125)
Fees & Charges: Discretionary	(215,125)
Operating Grants - State Government	(28,000)
Infrastructure Maintenance Road Shoulders	276,232
E1201360	276,232
Labour O/H	89,963
Materials and Parts Expenses	55,913
Plant Overhead Recovery	82,552
Salaries & Wages	47,804
Infrastructure Maintenance Roadwork Signs	15,000
E1201320	15,000
Materials and Parts Expenses	15,000
Infrastructure Maintenance Roadworks General	1,113,085
E1201370	1,113,085
Labour O/H	457,961
Landfill Internal Disposal Charges	56,443
Materials and Parts Expenses	72,000
Plant Overhead Recovery	274,288
Salaries & Wages	247,593
Water	4,800
Infrastructure Maintenance Street Light Repairs	28,000
E1201410	28,000
Contractors - Trade	28,000
Infrastructure Maintenance Street Signage & Linemarking	469,868
E1201330	469,868
Labour O/H	220,729
Landfill Internal Disposal Charges	500
Materials and Parts Expenses	50,000
Plant Overhead Recovery	74,701
Salaries & Wages	123,838
Water	100
Infrastructure Maintenance Unsealed Road Maintenance	437,159
E1201340	437,159
Labour O/H	101,523
Materials and Parts Expenses	88,650
Plant Overhead Recovery	185,039
Salaries & Wages	53,947
Water	8,000
Road Verge Slashing	258,675
E1201500	258,675
Labour O/H	120,911
Materials and Parts Expenses	2,000
Plant Overhead Recovery	80,384
Salaries & Wages	55,380
Road Verge Watering	280,866
E1201510	280,866
Labour O/H	128,255
Materials and Parts Expenses	7,200
Plant Overhead Recovery	81,168
Salaries & Wages	58,743
Water	5,500

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Street Cleaning	277,814
E1201530	277,814
Labour O/H	39,480
Landfill Internal Disposal Charges	62,527
Plant Overhead Recovery	132,173
Salaries & Wages	40,734
Water	2,900
Streetlight Operations	410,000
E1201400	410,000
Electricity	410,000
WATER TRANSPORT	72,763
Boat Ramp Revenue	(112,500)
R1215100	(112,500)
Operating Grants - State Government	(112,500)
Town Boat Ramp Maintenance	185,263
E1215100	185,263
Contractors - Trade	150,000
Labour O/H	10,340
Landfill Internal Disposal Charges	3,000
Materials and Parts Expenses	4,000
Plant Overhead Recovery	12,429
Salaries & Wages	5,494
Economic Services	408,395
BUILDING CONTROL	222,198
Building Control Administration	408,198
E1302100	408,198
Admin Allocations	75,752
Advertising, Promotion & Marketing	1,000
Finance Admin Allocation	14,447
Long Service Leave	2,449
Management Admin Allocation	64,444
Minor Equipment purchases	500
OHS and PPE Expenses	1,000
Salaries & Wages	173,676
Staff housing allocated	50,000
Superannuation	14,599
Superannuation Co Contribution	6,915
Workers Compensation Insurance	3,416
Building Control Revenue	(186,000)
R1302100	(186,000)
Certification Services	(20,000)
Copies of Plans	(50,000)
Kiosk Sales	(1,000)
Permits : Certified	(50,000)
Permits : Uncertified	(10,000)
Swimming Pool Inspection Fee	(55,000)
ECONOMIC DEVELOPMENT	236,951
Economic Development - Perth Office	10,700
E1304110	10,700
Lease Expense	10,700
Economic Development Administration	382,640
E1304100	382,640
Admin Allocations	75,752
Finance Admin Allocation	13,069
Long Service Leave	3,042
Management Admin Allocation	64,444
Salaries & Wages	196,064
Superannuation	17,898
Superannuation Co Contribution	8,478
Workers Compensation Insurance	3,893
Economic Development Project Revenue	(404,127)
R1304500	(404,127)
Operating Grants - Other	(165,000)
Operating Grants - State Government	(110,000)
Transfer from Reserves	(129,127)

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Economic Development Projects	178,438
E1304500	178,438
Consultants	178,438
Kingsford Smith Business Park Sales Administration	69,300
E1304200	69,300
Advertising, Promotion & Marketing	30,000
Legal Expenses	25,000
Valuation, Survey & Search Fees	14,300
OTHER ECONOMIC SERVICES	(538,042)
Cattle Yard Expenses	3,000
E1303100	3,000
Water	3,000
Cattle Yard Revenue	(6,821)
R1303100	(6,821)
Lease income	(6,821)
Other Economic Services - Lease Income	(534,221)
R1303200	(534,221)
Lease income	(542,781)
Transfer to Reserves	8,560
PLANT NURSERY	16,002
Native Plants Nursery	151,652
E1305100	151,652
Labour O/H	96,839
Materials and Parts Expenses	9,100
Plant Overhead Recovery	1,356
Salaries & Wages	44,357
Nursery Sales	(135,650)
R1305100	(135,650)
Nursery Sales	(135,650)
TOURISM & AREA PROMOTION	471,286
Cruise Ship Visits	10,000
E1301200	10,000
Advertising, Promotion & Marketing	10,000
RV Camping	2,500
E1301300	2,500
Advertising, Promotion & Marketing	2,500
RV Camping Fees	(5,000)
R1301300	(5,000)
Other Fees & Charges	(5,000)
Vistor Centre Building Maintenance	5,000
E1301110	5,000
Contractors - Trade	5,000
Vistor Centre Operations	458,786
E1301100	458,786
Contract Service Providers	365,000
Depreciation - Buildings	23,500
Depreciation - Furniture & Equipment	3,000
Depreciation - Infrastructure - Footpaths	1,800
Depreciation - Infrastructure - Parks & Ovals	6,250
Finance Admin Allocation	24,733
Insurance Premiums	4,503
Water	30,000

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Other Property & Services	1,963,702
GENERAL ADMINISTRATION OVERHEADS	462,197
Community and Development Management	0
E1405930	0
Accommodation & Travel Expenses	15,000
Catering & Meeting Expenses	5,000
Less Allocated To Functions	(773,334)
Long Service Leave	6,311
Management Admin Allocation	213,659
Plant Overhead Recovery	43,010
Salaries & Wages	391,585
Staff housing allocated	25,000
Superannuation	41,848
Superannuation Co Contribution	9,175
Training and Development	15,000
Workers Compensation Insurance	7,746
Corporate Information Operations	-
E1405500	-
Advertising, Promotion & Marketing	176,000
Consultants	30,000
Less Allocated To Functions	(840,884)
Long Service Leave	5,853
Management Admin Allocation	66,060
Minor Equipment purchases	7,000
Plant Overhead Recovery	17,319
Postage	23,000
Printing & Stationery	40,000
Salaries & Wages	377,407
Staff housing allocated	25,000
Subscriptions & Publications	14,520
Superannuation	34,759
Superannuation Co Contribution	16,465
Workers Compensation Insurance	7,501
Corporate Management Operations	0
E1405920	0
Accommodation & Travel Expenses	15,000
Catering & Meeting Expenses	5,000
Less Allocated To Functions	(660,595)
Long Service Leave	4,811
Management Admin Allocation	213,659
Plant Overhead Recovery	45,543
Salaries & Wages	297,894
Staff housing allocated	25,000
Superannuation	28,272
Superannuation Co Contribution	4,628
Training and Development	15,000
Workers Compensation Insurance	5,788
Corporate Reporting and Planning	462,197
E1405910	462,197
Long Service Leave	6,315
Salaries & Wages	393,018
Superannuation	37,337
Superannuation Co Contribution	17,686

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Workers Compensation Insurance	7,841
Financial Services Operations	103,910
E1405100	103,910
Audit Fees	57,725
Bank Charges	40,000
Consultants	80,000
Depreciation - Furniture & Equipment	146,000
Insurance Premiums	213,036
Legal Expenses	3,000
Less Allocated To Functions	(2,548,668)
Long Service Leave	24,622
Management Admin Allocation	107,347
Plant Overhead Recovery	22,373
Printing & Stationery	3,000
Salaries & Wages	1,556,277
Staff housing allocated	50,830
Subscriptions & Publications	2,015
Superannuation	149,391
Superannuation Co Contribution	62,607
Transfer to Reserves	103,410
Workers Compensation Insurance	30,945
Financial Services Revenue	(103,910)
R1405100	(103,910)
Contributions - Operating	(103,410)
Reimbursement Income	(500)
Information Communication Technology Operations	-
E1405300	-
Insurance Premiums	11,900
Less Allocated To Functions	(1,851,958)
Licence Expenses	503,000
Long Service Leave	5,589
Management Admin Allocation	123,862
Plant Overhead Recovery	70,057
Printing & Stationery	165,000
Salaries & Wages	346,987
Software Support Expenses	120,000
Staff housing allocated	25,000
Superannuation	36,571
Superannuation Co Contribution	9,120
Telephone	428,000
Workers Compensation Insurance	6,872
Office of the CEO Management	0
E1405900	0
Accommodation & Travel Expenses	35,000
Catering & Meeting Expenses	5,000
Consultants	30,000
Donations & Contributions	296,000
Legal Expenses	150,000
Less Allocated To Functions	(1,281,956)
Long Service Leave	8,002
Plant Overhead Recovery	60,006
Salaries & Wages	495,457
Staff Functions	16,000
Staff housing allocated	50,000
Subscriptions & Publications	37,300
Superannuation	61,019
Superannuation Co Contribution	8,287
Training and Development	20,000
Workers Compensation Insurance	9,885

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
People & Culture Operations	83,500
E1405200	83,500
Accommodation & Travel Expenses	15,000
Advertising, Promotion & Marketing	35,000
Catering & Meeting Expenses	5,000
Consultants	20,000
Employee Recruitment expenses	130,000
Employee Relocation Expenses	80,000
Less Allocated To Functions	(1,428,418)
Long Service Leave	8,138
Management Admin Allocation	165,150
Other Employee Costs	45,000
Other Expenditure	2,000
Plant Overhead Recovery	19,351
Reward & Recognition	115,000
Salaries & Wages	512,439
Staff housing allocated	25,000
Staff Uniforms	40,000
Subscriptions & Publications	11,517
Superannuation	51,819
Superannuation Co Contribution	16,098
Training and Development	105,250
Workcover Payments	100,000
Workers Compensation Insurance	10,156
People & Culture Revenue	(83,500)
R1405200	(83,500)
Kiosk Sales	(3,500)
Workers Compensation Insurance Reimbursement	(80,000)
Records Management	0
E1405400	0
Consumables	13,000
Less Allocated To Functions	(388,590)
Long Service Leave	4,549
Management Admin Allocation	41,287
Salaries & Wages	284,283
Superannuation	27,007
Superannuation Co Contribution	12,793
Workers Compensation Insurance	5,671
WHS Management	(0)
E1405700	(0)
Accommodation & Travel Expenses	18,700
Catering & Meeting Expenses	1,875
Consultants	161,931
Contractors - Trade	13,700
Less Allocated To Functions	(655,641)
Long Service Leave	2,757
Management Admin Allocation	22,572
Minor Equipment purchases	73,370
Plant Overhead Recovery	30,584
Printing & Stationery	11,250
Salaries & Wages	172,267
Software Support Expenses	39,700
Staff housing allocated	25,000
Superannuation	16,399
Superannuation Co Contribution	7,768
Training and Development	54,325
Workers Compensation Insurance	3,443

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Works and Services Management	-
E1405940	-
Accommodation & Travel Expenses	15,000
Catering & Meeting Expenses	5,000
Less Allocated To Functions	(894,418)
Long Service Leave	7,982
Management Admin Allocation	213,659
Plant Overhead Recovery	41,956
Salaries & Wages	495,616
Staff housing allocated	25,000
Superannuation	47,083
Superannuation Co Contribution	18,305
Training and Development	15,000
Workers Compensation Insurance	9,817
PLANT OPERATING COSTS	800,000
Plant Operating Expenditure	1,120,249
E1403100	1,120,249
Consumables	75,414
Contractors - Trade	20,000
Depreciation - Furniture & Equipment	14,000
Depreciation - Plant & Equipment	1,650,000
Fringe Benefits Tax	176,758
Fuel Expenses	592,928
Insurance Premiums	98,328
Labour O/H	1,362,413
Materials and Parts Expenses	459,420
Plant Overhead Recovery	(4,882,454)
Registration Expenses	27,861
Salaries & Wages	280,523
Transfer to Reserves	800,000
Tyres & Batteries	226,612
Written Down Value of Assets Sold	218,445
Plant Operating Revenue	(320,249)
R1403100	(320,249)
Private Vehicle Use Contributions	(20,280)
Proceeds from Sale of Assets	(218,445)
Rebate Income	(81,524)
PRIVATE WORKS	(0)
Private Works - Stand Pipe : Watercorp Charges	83,600
E1401200	83,600
Water	83,600
Private Works - Various	-
E1401100	-
Salaries & Wages	-
Private Works - Revenue	-
R1401100	-
Reimbursement Income	-
Private Works - Stand Pipe Revenue	(83,600)
R1401200	(83,600)
Reimbursement: Water	(83,600)

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
PUBLIC WORKS OVERHEADS	651,505
Building Maintenance Administration	651,505
E1402130	651,505
Labour O/H	371,962
Plant Overhead Recovery	61,498
Salaries & Wages	218,045
Engineering Management Overheads	0
E1402150	0
Admin Allocations	303,011
Finance Admin Allocation	22,311
Less Allocated To Functions	(840,594)
Long Service Leave	4,100
Management Admin Allocation	90,288
Plant Overhead Recovery	33,430
Salaries & Wages	279,847
Staff housing allocated	67,786
Superannuation	22,497
Superannuation Co Contribution	10,457
Workers Compensation Insurance	6,868
Parks & Gardens Overheads	0
E1402160	0
Admin Allocations	946,911
Annual Leave	183,426
Depot Meetings	95,382
Finance Admin Allocation	278,285
Labour O/H	(3,154,640)
Long Service Leave	32,414
Management Admin Allocation	282,150
Minor Equipment purchases	36,000
Plant Overhead Recovery	31,845
Public Holidays	88,045
PWO Allocation	633,072
Salaries & Wages	127,605
Sick Leave	73,370
Staff housing allocated	22,421
Superannuation	192,133
Superannuation Co Contribution	91,010
Workers Compensation Insurance	40,571
Plant management overheads	(1)
E1402170	(1)
Admin Allocations	227,258
Annual Leave	35,065
Consumables	55,000
Depot Meetings	18,234
Finance Admin Allocation	300,513
Labour O/H	(1,362,874)
Long Service Leave	8,704
Management Admin Allocation	67,716
Minor Equipment purchases	39,900
Plant Overhead Recovery	112,371
Public Holidays	16,831
PWO Allocation	151,937
Salaries & Wages	178,523
Sick Leave	14,026
Software Support Expenses	50,000
Superannuation	51,521
Superannuation Co Contribution	24,404
Workers Compensation Insurance	10,870

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
Public Works Overhead Engineering	(1)
E1402100	(1)
Admin Allocations	530,270
Finance Admin Allocation	71,252
Less Allocated To Functions	(1,215,498)
Long Service Leave	3,612
Management Admin Allocation	158,004
Minor Equipment purchases	5,000
OHS and PPE Expenses	111,262
Plant Overhead Recovery	30,643
Salaries & Wages	223,707
Staff housing allocated	23,464
Superannuation	25,354
Superannuation Co Contribution	2,684
Telephone	840
Training and Development	25,000
Workers Compensation Insurance	4,405
Public Works Overheads Works Operations	0
E1402140	0
Admin Allocations	75,752
Annual Leave	98,668
Depot Meetings	51,307
Finance Admin Allocation	163,608
Labour O/H	(1,223,085)
Long Service Leave	18,020
Management Admin Allocation	22,572
Other Employee Costs	20,000
Plant Overhead Recovery	19,481
Public Holidays	47,361
PWO Allocation	354,520
Salaries & Wages	130,985
Sick Leave	39,467
Superannuation	106,954
Superannuation Co Contribution	50,662
Telephone	840
Workers Compensation Insurance	22,888
Waste Management Overheads	(0)
E1402120	(0)
Annual Leave	90,860
Depot Meetings	47,247
Engineering Allocation	210,148
Labour O/H	(704,217)
Long Service Leave	16,321
Plant Overhead Recovery	20,205
Public Holidays	43,613
Salaries & Wages	81,466
Sick Leave	36,344
Superannuation	92,813
Superannuation Co Contribution	44,721
Workers Compensation Insurance	20,479

2016/17 Detailed Operating Budget

Program	2016/17 Budget \$
SALARIES & WAGES	40,000
Salaries & Wages - Less Salaries & Wages Allocation	(16,928,757)
E1406110	(16,928,757)
Salaries & Wages	(16,928,757)
Salaries & Wages - Salaries & Wages	16,928,757
E1406100	16,928,757
Salaries & Wages	16,928,757
Salaries & Wages unallocated	100,000
E1406120	100,000
Paid Parental Leave	60,000
Parental Leave	40,000
Salaries & Wages unallocated reimbursed	(60,000)
R1406120	(60,000)
Reimbursement Income	(60,000)
UNCLASSIFIED	10,000
Insurance Claims reimbursement	(100,000)
R1407120	(100,000)
Reimbursement Income	(100,000)
Insurance Expenditure Claimable	100,000
E1407120	100,000
Contractors - Trade	100,000
Vandalism Damage Unclaimable	10,000
E1407110	10,000
Contractors - Trade	10,000
Grand Total	12,955,839

Operating Expenditure	73,261,460
Operating Revenue	(53,848,342)
Total Operating	19,413,118
Internal Transfers	-
Reserves Transfers Included	(6,457,279)
Total Internal Transfers	(6,457,279)
Total	12,955,839