

Annual Budget

2022-23



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Acknowledgement

“We would like to acknowledge the Kariyarra, Ngarla and Nyamal people as the Traditional Custodians of the Town of Port Hedland. We recognise their strength and resilience and pay our respect to their Elders past and present.

We extend that respect to all Aboriginal & Torres Strait Islander people of the local community, and recognise their rich cultures and their continuing connection to land and waters.”



Our Vision

To be Australia's leading Port Town embracing community, culture and environment.



Message from the Mayor

I am proud to present the Town of Port Hedland 2022/23 budget to the community. I would like to acknowledge and thank the staff at the Town for the work involved in planning and creating a budget that balances the delivery of a variety of essential services, prioritises important capital works and progresses several masterplans and major projects.

It has been a significant year for the Town as we continued with restrictions and navigated our way through a wave of COVID-19 infections. I thank the community for doing their part in following the public health advice to help keep us safe, especially the most vulnerable in our community. Continued growth across the resource sector places Hedland in a strong position. The combination of corporate funding, State budget allocation and incumbent Federal Government plans for infrastructure commitments demonstrates the future growth anticipated for our town, workforce and community. Despite national and international border closures during the last financial year, the Town's population grew. With State unemployment figures at a level not seen since 2008, the Town has experienced strong worker retainment during this period of prosperity. As a Local Government Authority, we need to be aware of factors influencing our economy so we can develop plans to support our businesses and in turn, support our community.

As detailed in the *Strategic Community Plan 2018-2028 (SCP)*, the Town places the Community, Culture and Environment at the centre of everything we do. With a focus on the four pillars of Community, Economy, Built and Natural Environment and Leadership, Council is guided on how to strategically align budgetary investments with community needs and aspirations. The revised SCP is driven and inspired by extensive community input and provides a strong direction for the Town to continue building a safe, family-friendly, vibrant and cohesive community. It is important that the Town's rates model strikes the right balance between seeking to yield adequate funds, while responding to cost of living pressures faced by our ratepayers. The projected overall rates yield of over \$62 million will fund the continuation of current service delivery levels into 2022/23 and enable the Town's continued investment in core infrastructure projects to support a growing

population. Given current inflationary impacts and cost of living pressures, I am pleased that the Town's 2022/23 rates increase is a constrained 2.5% - well below the national inflation rate - to help ease the burden on residential ratepayers. We've seen significant increases in property valuations over the past year, however we have not used this as an opportunity to significantly increase rates: rather, we've reduced the rate in the dollar applied. Overall, the 2022/23 rates model is consistent and provides ratepayers with stability and certainty moving forward.

With Hedland's population anticipated to grow to 30,000 by 2041, which will see our population effectively double, creating substantial recreational and communal facilities is fundamental to the town's future. This budget strengthens our focus on delivering a substantial capital works program to support Hedland's infrastructure needs. The community is showing keen support for stage 3 development of JD Hardie Youth and Community Hub, progress of the Port Hedland Integrated Sports Hub and South Hedland Integrated Sports Hub. In addition, the McGregor Street Oval surface levelling, lighting installation and upgrades will be a welcome improvement for several sporting clubs in town. We are excited to see these projects transform Hedland's sporting, recreational and leisure facilities for all of our community to access and enjoy.

Alongside \$10 million in State Government funding, rates going towards the PHSCH project will not only support the growth of our local sport and recreation clubs, but will encourage the establishment of new clubs in our town. With stage one and stage two of the development complete, the construction of the Community Centre will also serve the community during emergency events. The existing skatepark is set to be enhanced by the addition of a BMX pump track, shade shelters and the reinvention of an old sporting pavilion as community activity space. The multipurpose playing fields serviced by a new pavilion and covered viewing area will also function as a stand-alone athletics track.



An ongoing project for the Town is the construction of the Port Hedland Seawalls, a significant investment stemming from the Town's Coastal Hazard Risk Management and Adaptation Plan (CHRMAP). Rising sea levels and weather events driven by climate change will continue to impact our coastline, so planning and preparation is required to successfully alleviate risks of erosion and inundation. The sea walls project will continue along the priority locations of Sutherland Street and Goode Street to protect residential properties and our environmental assets. I'm proud of the proactive steps that the Town is taking to best preserve our coastline for generations to come.

The Town plays a significant role in economic development, through planning, advocating, and facilitating better conditions for growth and investment to strengthen Hedland's competitive advantage. Our *Economic Development and Tourism Strategy* provides the framework for the Town to lead an integrated and collaborative approach to achieve the community's vision. The community has advocated for investment in coastal and boating infrastructure: projects like the Finucane Island Boast Ramp upgrade will not only provide amenity improvements for the local boat loving community, but also supports tourism opportunities. This investment will improve boat user safety, prevent tidal surges that impact boating vessels, and increase boating access to the ramp.

The budget also supports improvements to our townscape and landscaping with funding allocated to the South Hedland Entry Statement and Commons project. The entry statement project will deliver on the Town's commitment on meeting objectives identified in the *Public Open Space Strategy*. The plans developed in consultation with the community will include a more useable pedestrian environment, improved landscaping, seating with increased shade, and public amenities like seating, lighting and drink fountains. A path will also be constructed to lead pedestrians to Spinifex Hill Studio. Alongside this project, the South Hedland Commons landscaping will continue to improve the streetscape medians, create more shade, and make outdoor public spaces more welcoming. Works commenced in March 2022 and landscaping and programming in the area will continue to encourage greater visitation, better social interaction and amenity for the South Hedland community.



The budget will support events that will bring our community together to connect and celebrate. We are committed to continuing to fund events that locals and visitors look forward to each year, such as Spinifex Spree and the Sunset Food Markets, and also initiate new events like the upcoming multicultural food festival. These events are an important inclusion on the calendar for our local businesses and bolsters tourism.

When setting budget priorities for the Town, the financial, asset and workforce realities and constraints are considered. This will ensure that all planned actions are achievable. Council thanks the community for their support in sharing feedback and ideas to both inspire and drive development, planning and services for our community.

I look forward to working with Council, the Town and the community to deliver the important initiatives outlined in this budget.

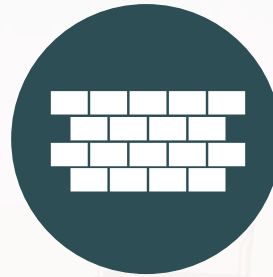
Peter T Carter, Mayor

Budget Highlights



Port Hedland Sports and Community Hub Stage One: Community Centre

\$15,500,000



Port Hedland Seawalls Project

\$6,952,300



Depot Masterplan

\$3,700,000



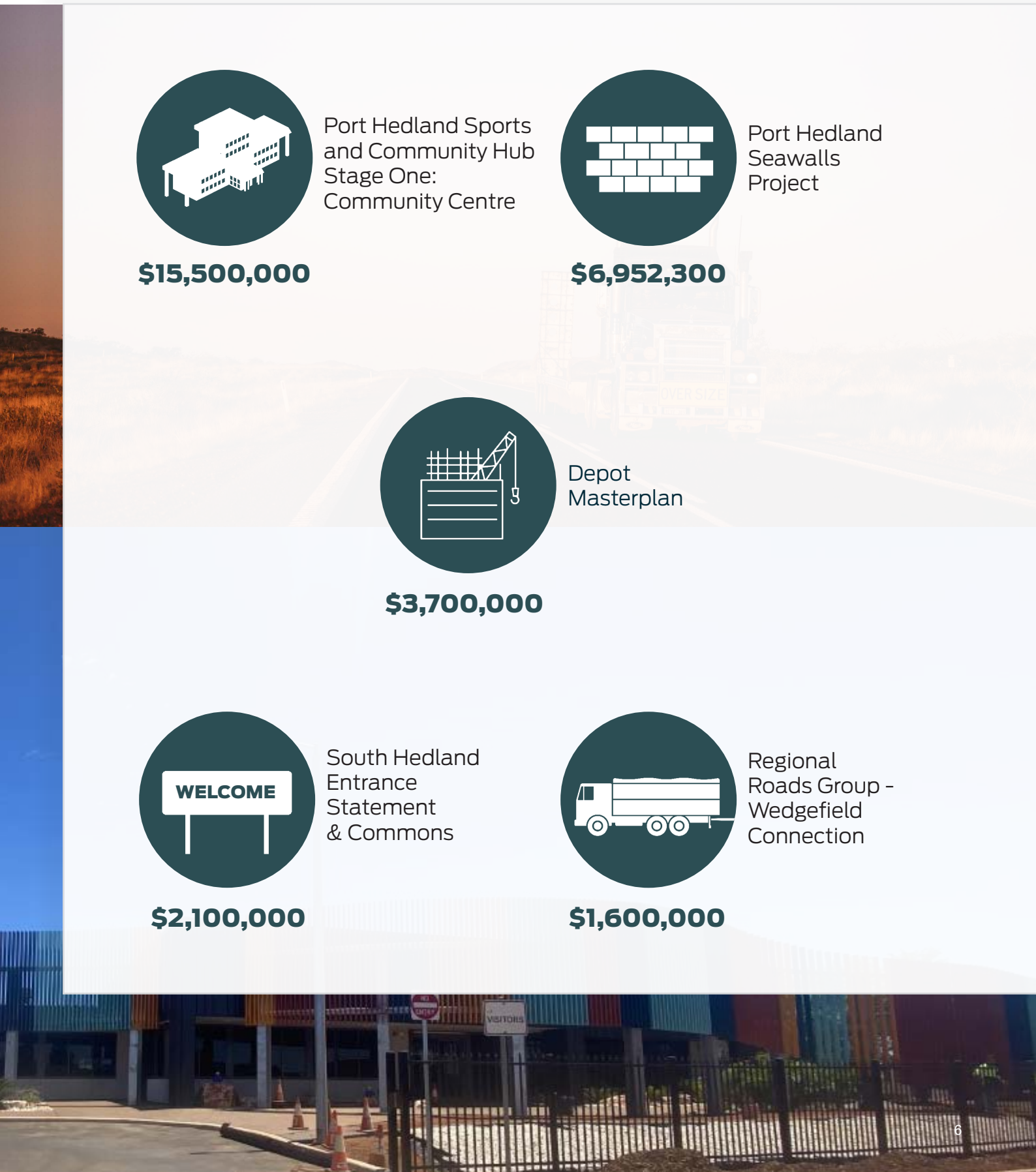
South Hedland Entrance Statement & Commons

\$2,100,000



Regional Roads Group - Wedgefield Connection

\$1,600,000





Annual Renewal
Plant Replacement
Program

\$6,457,000



Shade Structure at
South Hedland
Skate Park

\$4,500,000



Finucane Island Boat
Ramp Stage 2 Upgrades
Landside Works

\$2,316,456



JD Hardie Youth &
Community Hub Stage 2
Multi User Courts
& Surrounds

\$1,537,000



South Hedland
Townsite
Activation

\$1,500,000



Message from the CEO

I would first like to acknowledge the Town's Executive Team, employees, Mayor and Council for their contribution to the delivery of the 2022/23 annual budget. I am proud of the Town's plans to continue providing a range of vital services, and also develop enduring community facilities, amenity and open spaces that are inclusive and meet the diverse needs of the whole community, both now and into the future.

Western Australia is the largest iron ore supplier in the world, accounting for 37% of global supply in 2021 with Port Hedland being the largest bulk export port in the world. This, along with our unique environment and our proximity to Asia, are integral factors to promote economic opportunities and investment in our Town. The resources sector and exports have supported Australia's continued economic growth throughout the COVID-19 downturn with taxes and royalties supporting the essential services for all Australians.

In addition to significant economic results, the State and Federal budget funding commitments for Port Hedland highlights the importance of our Town to the nation, and the opportunities our unique location offers to investors. With population projections for the Town, infrastructure planning has been a priority to ensure that today's needs and tomorrow's aspirations of our community are met.

Our primary role as a Local Government Authority is to set the best scene possible for our diverse community to enjoy not only a great quality of life, but a great lifestyle. In addition, it is our job is to leverage on both the economic and tourism opportunities presented for the benefit of our community. This financial year, Council endorsed four strategic documents developed by the Town that aim to shape the planning of infrastructure and services based of the needs of the community, economic conditions and projected future requirements. These strategies include the renewed *Strategic Community Plan*, the first ever *Youth Development Plan 2022-25*, the *Economic Development and Tourism Plan* and the *Strategic Workforce Plan*. Each of these documents represents roadmaps for the Town to develop initiatives on how best we can enhance our culture, lifestyle, economy and community. As outlined in the *Economic Development and*



Tourism Strategy, we need to understand emerging economic influences, evaluate the effectiveness of actions, and consult and partner with key stakeholders, to plan for a thriving economy. While our local economy is highly dependent on the resources industry, we need to always be looking at future growth opportunities, including tourism. During border closures and restrictions, we saw WA's population embrace 'wander out yonder' as we explored every corner of the State, with the Pilbara experiencing a swell in tourism. We are excited for what the future holds with interstate and international travellers returning to visit our vibrant culture and rich environment. The *Economic Development and Tourism Strategy* details tourism priorities and potential growth opportunities. In my role as CEO, I will continue with my commitment to promote economic investment and tourism opportunities to our town.



A great lifestyle and quality of life are critical for Port Hedland's growth. Community feedback from the recently reviewed Strategic Community Plan indicates that the Town should continue building a safe, family-friendly, vibrant and cohesive community. We are continuing with foundational projects and services including the maintenance of our roads, footpaths and drainage upgrades and also delivering on more 'visible' projects like the playground replacement program. Sustainable funding has been allocated towards the ongoing delivery of services at our community facilities including the libraries, the Matt Dann Theatre and Cinema, JD Hardie Youth & Community Hub, Wanangkura Stadium, South Hedland Aquatic Centre, and the Gratwick Aquatic and Fitness Centre. These venues have supported our community, and continued this throughout the COVID-19 pandemic, ensuring we had the opportunity to continue looking after our health and wellbeing.

Port Hedland Leisure is now in its fourth year of in-house management under the Town, and despite the challenges of the COVID-19 pandemic, they have delivered excellence in health, fitness and recreation service to the local community. Port Hedland Leisure pivoted to deliver online fitness classes to keep connected with members, and recorded significant increases in membership numbers, facility visits, fitness classes and swimming lessons by delivering on their mantra of fitness for all in our community. The Town was again announced as a finalist for the Parks and Leisure Australia Awards of Excellence, with Port Hedland Leisure nominated in the Best Regional/Rural Industry Contribution Award. Each year, Parks and Leisure Australia acknowledges excellence in the industry to celebrate and recognise the exceptional initiatives of 'the people behind the places', to highlight the social, environmental and economic benefits that leisure activities provide to the community.

This emphasizes the importance of sport and leisure to the community as it not only provides health, fitness and wellness goals, but also builds community connection. Our investment in community facilities demonstrates strong outcomes and the reinforcement that the Town needs to continue planning for the future.

This budget funds the South Hedland Townsite Activation. The community has overwhelmingly told us to close Wise Terrace to cars to allow the space to be transformed into a natural, cultural and activated town centre for locals, families and visitors to enjoy. We have been working with the community on finalising the design as we shape the area into a new community space.

It is essential for us to plan effectively so we can respond to fluctuations in the economy and population change while being resilient to climate change and the environment around us. Both Council and the Town have listened to community feedback and ideas to plan effectively for our future. The Town not only endeavours to meet critical service requirements for the community, but to also deliver major project commitments for the future.

I look forward to working collaboratively with the Town's leadership team, staff and Council, and in consultation with the community, to support our town to achieve a strong, vibrant economy and build a thriving lifestyle for future generations.

Carl Askew
Town of Port Hedland CEO



Hedland Snapshot

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 ABS data (2021), the Estimated Resident Population in Port Hedland is 15,768. We estimate that to be over 16,500 given our population profile with non residential (fly in-fly out) workforce. The majority of our population are young (median age 32) with a strong multicultural background (38.5% born overseas, 14.8% Aboriginal and Torres Strait Islander).



“Hedland’s original inhabitants call the place Marapikurrinya”

Budget Overview

Forecasts and Assumptions

The 2022/23 budget estimates a total operating expenditure of \$108 million. The budget focus remains on operational efficiency, asset management and sustaining current service levels to the community.

The budget lays the foundation for a significant capital works program, which will renew Hedland's core infrastructure assets. This includes embarking on extensive road, footpath and kerbside renewal, which will improve Hedland connectivity for the future.

A number of budget measures are designed to build on the groundwork laid in 2021/22. This includes \$15.5 million for the Port Hedland Community Centre, \$6.9 million for the Port Hedland Seawalls and \$4.5million for the South Hedland Skate Park shade structure.

Rates, Fees and Charges

The 2022/23 rates yield continues the principles first adopted in the 2018/19 rating strategy: a commitment to uniformity and equitability across categories, with property value as the central determinant factor for rates. An overall 2.5% is set to deliver an eased burden on residential ratepayers in response to cost-of-living pressures. The proposed 2.5% rates increase is in line with the Town's Long Term Financial Plan, and is significantly lower than the national 5.1% inflation rate and 5.7% Local Government Cost Index.

There has been a few minor amendments to fees and charges, otherwise these remain as business as usual. The adopted fees and charges schedule has been developed in the interests of greater equitability. Key changes include reduction of interest on overdue monies to 7%, increases to personal training business packages and increases to full facility rentals.

Grants, Contributions and Assumptions

The Town has budgeted for \$12.7 million in non-operating grants to support the significant capital works budget and will still endeavour to apply for any available and upcoming grants in the 2022/23 period. There are also \$3.7 million in operating grants to assist in initiatives that the Town has in place to align to strategic objectives.



Service Delivery

The budget is based on maintaining existing services at current levels of service, which aligns with the adopted *Strategic Community Plan 2018 – 2028*. The Town operates services within an organisational structure of Corporate Services, Community Services, Regulatory Services and Infrastructure Services.

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 and efficiency gains will continue to be reviewed during 2022/23.

Employee Costs

There will be increases to total employee costs as a result of delivering the 2022/23 budget's capital works program, supporting the Trainee program earmarked in the *Workforce Plan 2020 – 2024* and specialised staff to support the youth strategies of the Town. There have also been increases in line with the 2019 updated Enterprise Agreement. Staffing decisions are made in line with the Town's *Strategic Community Plan 2018-2028*.

Other Expenditure

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.

By constraining expenditure increases through continued productivity gains, and maximising revenue increases, the Town is looking to achieve long-term financial sustainability.

Inflation

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

The annual consumer price index ('CPI') rose 5.1% over the twelve months to March 2022 (Source: Australian Bureau of Statistics). CPI for the Pilbara is usually higher than experienced in capital cities. The Town will continue to work expected increases to be offset by constraining other expenditure and continued productivity gains.

Borrowings

The 2022/23 year anticipates borrowings to finance the depot masterplan and staff housing, the Seawalls. This will enable the Town to improve the standard and usability of the depot, as well as provide a high standard of housing for current and future town employees.

Interest Rates

Interest revenue on cash investments has been budgeted into the municipal revenue. The interest revenue is budgeted in line with the increase in cash rate from the Reserve Bank of Australia (RBA). It should be noted that the *Local Government Act 1995* restricts the type of products the Town invests in.

Risk Factors

The Town has identified key risk areas that may impact the 2022/23 budget. This includes, but is not limited to:

- Inflationary pressures
- Building supply issues that could affect the Capital Works program.

It should be noted that this budget raises sufficient revenue to address asset renewal requirements, however is still heavily reliant on reserve funding for new and upgrade capital works.

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 waste and landfill 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.

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.

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 plant and other equipment 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, telephone and communications 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 utility expenditure.

Internal Income and Internal Expenses are transactions between the different funds and activities of Council. 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) and 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 non-cash 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.





Budget Statements

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TOWN OF PORT HEDLAND
ANNUAL BUDGET
FOR THE YEAR ENDED 30 JUNE 2023
LOCAL GOVERNMENT ACT 1995

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TOWN OF PORT HEDLAND
STATEMENT OF COMPREHENSIVE INCOME BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2023

	NOTE	2022/23 Budget \$'000	2021/22 Estimate \$'000	2021/22 Budget \$'000
Revenue				
Rates	1(a)	62,144	60,485	57,180
Operating grants, subsidies and contributions	10	3,711	2,231	2,258
Fees and charges	9	16,658	16,270	15,969
Interest earnings	11(a)	1,817	1,233	1,570
Other revenue	11(b)	2,232	2,821	2,500
		86,561	83,040	79,477
Expenses				
Employee costs		(31,222)	(27,451)	(30,267)
Materials and contracts		(50,932)	(17,433)	(46,151)
Utility charges		(4,816)	(4,249)	(4,330)
Depreciation on non-current assets	5	(14,641)	(12,552)	(12,620)
Interest expenses	11(d)	(856)	(7)	(696)
Insurance expenses		(1,411)	(1,227)	(1,034)
Other expenditure		(4,122)	(1,621)	(3,006)
		(108,000)	(64,540)	(98,104)
		(21,439)	18,500	(18,627)
Non-operating grants, subsidies and contributions	10	12,667	7,052	8,002
Profit on asset disposals	4(b)	400	-	126
Loss on asset disposals	4(b)	-	(150)	(153)
		13,067	6,902	7,975
Net result for the period		(8,373)	25,402	(10,652)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes in asset revaluation surplus		-	-	-
Total other comprehensive income for the period		-	-	-
Total comprehensive income for the period		(8,373)	25,402	(10,652)

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 2023

	2022/23 Budget	2021/22 Estimate	2021/22 Budget
Revenue	\$'000	\$'000	\$'000
Governance	-	3	-
General purpose funding	64,999	62,212	60,100
Law, order, public safety	74	226	(277)
Health	483	403	511
Education and welfare	101	128	115
Housing	1	3	1
Community amenities	11,368	11,359	11,072
Recreation and culture	3,189	3,279	2,934
Transport	140	286	15
Economic services	2,200	1,722	2,375
Other property and services	695	1,188	499
	83,250	80,809	77,345
Operating grants, subsidies and contributions			
General purpose funding	1,506	1,658	707
Law, order, public safety	-	23	100
Health	4	7	4
Education and welfare	95	59	67
Community amenities	1,248	7	800
Recreation and culture	545	477	394
Transport	180	-	180
Economic services	97	-	-
Other property and services	36	-	6
	3,711	2,231	2,258
Non-operating grants, subsidies and contributions			
Community amenities	-	5	60
Recreation and culture	9,530	6,708	7,192
Transport	3,137	339	750
	12,667	7,052	8,002
Total Income	99,628	90,092	87,605
Expenses			
Governance	(2,181)	(2,236)	(397)
General purpose funding	(1,030)	(473)	(1,773)
Law, order, public safety	(3,161)	(2,395)	(3,162)
Health	(1,916)	(1,156)	(1,640)
Education and welfare	(4,267)	(3,377)	(3,607)
Housing	(2,881)	(1,222)	(1,742)
Community amenities	(39,198)	(9,439)	(35,196)
Recreation and culture	(33,663)	(29,652)	(28,443)
Transport	(10,793)	(11,592)	(12,012)
Economic services	(5,483)	(613)	(1,590)
Other property and services	(3,428)	(2,535)	(8,695)
Total expenses	(108,001)	(64,690)	(98,257)
Net result for the period	(8,373)	25,402	(10,652)

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 2023

	NOTE	2022/23 Budget \$'000	2021/22 Estimate \$'000	2021/22 Budget \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		62,144	60,485	57,180
Operating grants, subsidies and contributions		3,711	1,994	2,258
Fees and charges		12,597	18,240	15,969
Interest received		1,817	1,233	1,570
Goods and services tax received		-	750	-
Other revenue		2,232	2,821	2,500
		82,501	85,523	79,477
Payments				
Employee costs		(31,222)	(27,451)	(30,267)
Materials and contracts		(50,932)	(28,332)	(47,075)
Utility charges		(4,816)	(4,249)	(4,330)
Interest expenses		(856)	(7)	(696)
Insurance paid		(1,411)	(1,227)	(1,034)
Other expenditure		(4,122)	(1,621)	(3,006)
		(93,359)	(62,887)	(86,408)
Net cash provided by (used in) operating activities	3	(10,858)	22,636	(6,931)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of property, plant & equipment	4(a)	(38,499)	(27,247)	(28,357)
Payments for construction of infrastructure	4(a)	(43,168)	(32,965)	(39,195)
Non-operating grants, subsidies and contributions		12,667	3,743	8,002
Proceeds from sale of property, plant and equipment	4(b)	1,737	37	395
Proceeds on disposal of financial assets at fair values through other comprehensive income		-	(257)	-
Proceeds on loans receivable - clubs / institutions		-	688	-
Net cash provided by (used in) investing activities		(67,263)	(56,001)	(59,155)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(922)	-	(529)
Principal elements of lease payments	7	(145)	(188)	(179)
Proceeds from new borrowings	6(a)	24,269	-	27,319
Net cash provided by (used in) financing activities		23,202	(188)	26,611
Net increase (decrease) in cash held		(54,919)	(33,553)	(39,475)
Cash at beginning of year		194,183	227,736	225,668
Cash and cash equivalents at the end of the year	3	139,264	194,183	186,193

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 2023**

	NOTE	2022/23 Budget \$'000	2021/22 Estimate \$'000	2021/22 Budget \$'000
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)				
		(5,415)	(3,374)	(3,374)
Revenue from operating activities (excluding rates)				
Operating grants, subsidies and contributions	10	3,711	2,231	2,258
Fees and charges	9	16,658	16,270	15,969
Interest earnings	11(a)	1,817	1,233	1,570
Other revenue	11(b)	2,232	2,821	2,500
Profit on asset disposals	4(b)	400	-	126
		24,818	22,555	22,423
Expenditure from operating activities				
Employee costs		(31,222)	(27,451)	(30,267)
Materials and contracts		(50,932)	(17,433)	(46,151)
Utility charges		(4,816)	(4,249)	(4,333)
Depreciation on non-current assets	5	(14,641)	(12,552)	(12,620)
Interest expenses	11(d)	(856)	(7)	(696)
Insurance expenses		(1,411)	(1,227)	(1,034)
Other expenditure		(4,122)	(1,621)	(3,006)
Loss on asset disposals	4(b)	-	(150)	(153)
		(108,000)	(64,690)	(98,260)
Non-cash amounts excluded from operating activities		10,181	4,286	11,723
Amount attributable to operating activities		(78,416)	(41,223)	(67,488)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	10	12,667	7,052	8,002
Payments for property, plant and equipment	4(a)	(38,499)	(27,247)	(28,357)
Payments for construction of infrastructure	4(a)	(43,168)	(32,965)	(39,195)
Proceeds from disposal of assets	4(b)	1,737	37	395
Proceeds on disposal of financial assets at fair values through other comprehensive income		-	(257)	-
Proceeds on other loans and receivables [describe]		-	688	-
Amount attributable to investing activities		(67,263)	(52,692)	(59,155)
Non-cash amounts excluded from investing activities	2(c)	-	-	-
Amount attributable to investing activities		(67,263)	(52,692)	(59,155)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(922)	-	(529)
Principal elements of finance lease payments	7	(145)	(188)	(179)
Proceeds from new borrowings	6(b)	24,269	-	27,319
Transfers to cash backed reserves (restricted assets)	8(a)	(21,502)	(26,054)	(9,570)
Transfers from cash backed reserves (restricted assets)	8(a)	84,138	54,257	52,577
Amount attributable to financing activities		85,838	28,015	69,618
Budgeted deficiency before general rates		(59,841)	(65,900)	(57,025)
Estimated amount to be raised from general rates	1(a)	62,144	60,485	57,180
Net current assets at end of financial year - surplus/(deficit)	2	2,302	(5,415)	155

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 2023

BASIS OF PREPARATION

The annual budget has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the *Local Government Act 1995* and accompanying regulations.

The *Local Government Act 1995* and accompanying Regulations take precedence over Australian Accounting Standards where they are inconsistent.

The *Local Government (Financial Management) Regulations 1996* specify that vested land is a right-of-use asset to be measured at cost. All right-of-use assets (other than vested improvements) under zero cost concessionary leases are measured at zero cost rather than at fair value. The exception is vested improvements on concessionary land leases such as roads, buildings or other infrastructure which continue to be reported at fair value, as opposed to the vested land which is measured at zero cost. The measurement of vested improvements at fair value is a departure from AASB 16 which would have required the TOWN to measure any vested improvements at zero cost.

Accounting policies which have been adopted in the preparation of this annual budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the budget has 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.

Financial reporting disclosures in relation to assets and liabilities required by the Australian Accounting Standards have not been made unless considered important for the understanding of the budget or required by legislation.

The local government reporting entity

All funds through which the TOWN OF PORT HEDLAND controls resources to carry on its functions have been included in the financial statements forming part of this annual 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.

2021/22 balances

Balances shown in this budget as 2021/22 Actual are estimates as forecast at the time of preparation of the annual budget and are subject to final adjustments.

Budget comparative figures

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

Comparative figures

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

Initial application of accounting standards

During the budget year, the below revised Australian Accounting Standards and Interpretations are expected to be compiled, become mandatory and be applicable to its operations.

- *AASB 2020-3 Amendments to Australian Accounting Standards* - Annual Improvements 2018-2020 and Other Amendments

- *AASB 2020-6 Amendments to Australian Accounting Standards* - Classification of Liabilities as Current or Non-current - Deferral of Effective Date

It is not expected these standards will have an impact on the annual budget.

New accounting standards for application in future years

The following new accounting standards will have application to local government in future years:

- *AASB 2021-2 Amendments to Australian Accounting Standards* - Disclosure of Accounting Policies or Definition of Accounting Estimates

- *AASB 2021-6 Amendments to Australian Accounting Standards* - Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards

It is not expected these standards will have an impact on the annual budget.

Judgements, estimates and assumptions

The preparation of the annual budget in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The balances, transactions and disclosures impacted by accounting estimates are as follows:

- estimated fair value of certain financial assets
- estimation of fair values of land and buildings and investment property
- impairment of financial assets
- estimation uncertainties and judgements made in relation to lease accounting
- estimated useful life of assets

Rounding off figures

All figures shown in this statement are rounded to the nearest thousand dollar.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

REVENUE RECOGNITION

SIGNIFICANT ACCOUNTING POLICIES

Recognition of revenue is dependant on the source of revenue and the associated terms and conditions associated with each source of revenue and recognised as follows:

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Specified area rates	Rates charge for specific defined purpose	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Service charges	Charge for specific service	Over time	Payment dates adopted by Council during the year	Refund in event monies are unspent	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for the construction of non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

REVENUE RECOGNITION (CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Waste management entry fees	Waste treatment, recycling and disposal service at disposal sites	Single point in time	Payment in advance at gate or on normal trading terms if credit provided	None	Adopted by council annually	Based on timing of entry to facility	Not applicable	On entry to facility
Airport landing charges	Permission to use facilities and runway	Single point in time	Monthly in arrears	None	Adopted by council annually	Applied fully on timing of landing/take-off	Not applicable	On landing/departure event
Fees and charges for other goods and services	Cemetery services, library fees, reinstatements and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Aviation fuel, kiosk and visitor centre stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

KEY TERMS AND DEFINITIONS - NATURE OR TYPE

REVENUES

RATES

All rates levied under the *Local Government Act 1995*. Includes general, differential, specified area rates, minimum rates, interim rates, back rates, ex-gratia rates, less discounts and concessions offered. Exclude administration fees, interest on instalments, interest on arrears, service charges and sewerage rates.

SERVICE CHARGES

Service charges imposed under Division 6 of Part 6 of the *Local Government Act 1995*. Regulation 54 of the *Local Government (Financial Management) Regulations 1996* identifies these as television and radio broadcasting, underground electricity and neighbourhood surveillance services.

Excludes rubbish removal charges. Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

PROFIT ON ASSET DISPOSAL

Profit on the disposal of assets including gains on the disposal of long term investments. Losses are disclosed under the expenditure classifications.

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Refer to all amounts received as grants, subsidies and contributions that are not non-operating grants.

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

Amounts received specifically for the acquisition, construction of new or the upgrading of non-current assets paid to a local government, irrespective of whether these amounts are received as capital grants, subsidies, contributions or donations.

FEES AND CHARGES

Revenue (other than service charges) from the use of facilities and charges made for local government services, sewerage rates, rentals, hire charges, fee for service, photocopying charges, licences, sale of goods or information, fines, penalties and administration fees. Local governments may wish to disclose more detail such as rubbish collection fees, rental of property, fines and penalties, other fees and charges.

INTEREST EARNINGS

Interest and other items of a similar nature received from bank and investment accounts, interest on rate instalments, interest on rate arrears and interest on debtors.

OTHER REVENUE / INCOME

Other revenue, which can not be classified under the above headings, includes dividends, discounts, and rebates. Reimbursements and recoveries should be separated by note to ensure the correct calculation of ratios.

EXPENSES

EMPLOYEE COSTS

All costs associated with the employment of person such as salaries, wages, allowances, benefits such as vehicle and housing, superannuation, employment expenses, removal expenses, relocation expenses, worker's compensation insurance, training costs, conferences safety expenses, medical examinations, fringe benefit tax, etc.

MATERIALS AND CONTRACTS

All expenditures on materials, supplies and contracts not classified under other headings. These include supply of goods and materials, legal expenses, consultancy, maintenance agreements, communication expenses, advertising expenses, membership, periodicals, publications, hire expenses, rental, leases, postage and freight etc. Local governments may wish to disclose more detail such as contract services, consultancy, information technology, rental or lease expenditures.

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

Expenditures made to the respective agencies for the provision of power, gas or water. Exclude expenditures incurred for the reinstatement of roadwork on behalf of these agencies.

INSURANCE

All insurance other than worker's compensation and health benefit insurance included as a cost of employment.

LOSS ON ASSET DISPOSAL

Loss on the disposal of fixed assets includes loss on disposal of long term investments.

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expense raised on all classes of assets.

INTEREST EXPENSES

Interest and other costs of finance paid, including costs of finance for loan debentures, overdraft accommodation and refinancing expenses.

OTHER EXPENDITURE

Statutory fees, taxes, provision for bad debts, member's fees or State taxes. Donations and subsidies made to community groups.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

KEY TERMS AND DEFINITIONS - ASSETS AND LIABILITIES

SIGNIFICANT ACCOUNTING POLICIES

CURRENT AND NON-CURRENT CLASSIFICATION

An 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 or non-current based on the TOWN's intentions to release for sale.

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 OF PORT HEDLAND becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts that are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

PREPAID RATES

Prepaid rates are, until the taxable event has occurred (start of the next financial year), refundable at the request of the ratepayer. Rates received in advance are initially recognised as a financial liability. When the taxable event occurs, the financial liability is extinguished and the TOWN recognises revenue for the prepaid rates that have not been refunded.

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.

Superannuation

The TOWN OF PORT HEDLAND contributes to a number of superannuation funds on behalf of employees.

All funds to which the TOWN OF PORT HEDLAND contributes are defined contribution plans.

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.

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.

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.

Trade receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net trade receivables is equivalent to fair value as it is due for settlement within 30 days.

Trade receivables are held with the objective to collect the contractual cashflows and therefore measures them subsequently at amortised cost using the effective interest rate method.

Due to the short term nature of current receivables, their carrying amount is considered to be the same as their fair value. Non-current receivables are indexed to inflation, any difference between the face value and fair value is considered immaterial.

The TOWN applies the AASB 9 simplified approach to measuring expected credit losses using a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, rates receivable are separated from other trade receivables due to the difference in payment terms and security for rates receivable.

PROVISIONS

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

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

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.

CONTRACT LIABILITIES

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to be controlled by the TOWN are recognised as a liability until such time as the TOWN satisfies its obligations under the agreement.

KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

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.

OBJECTIVE

Governance

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

General purpose funding

To collect revenue to allow for the provision of services.

Law, order, public safety

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

Health

To provide an operational framework for environmental and community health.

Education and welfare

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

Housing

To provide and maintain staff housing.

Community amenities

To provide services required by the community.

Recreation and culture

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

ACTIVITIES

Functions relating to Councillors and the oversight of legislative compliance. Expenditure includes election costs as well as fees and allowances paid to elected members and other costs associated with members of Council.

Governance also includes other tasks such as the Town's internal audit function, Freedom of Information requests, Public Interest Disclosures and procurement policy development and oversight.

Rating, interest revenues, leased property revenues and general purpose Government grant functions. Includes the Financial Assistance Grant received from the Local Government Grants Commission, leasing revenue from Port Hedland International Airport, all other rate income and cost of assets sold.

Supervision of various by-laws, fire and emergency services and animal control. Includes expenditure for Ranger Services, State Emergency Service and disaster preparation and recovery expenses. Community safety and crime prevention initiatives, including Towns CCTV network.

Food and public health regulation and compliance, environmental health, and pest control. Expenses include food service inspections, immunisations services, mosquito and vermin control.

Community partnership funding, disability access initiatives, community services administration. Facilities including the JD Hardie Centre and asset management associated with key community buildings.

Maintenance and operational expenses associated with the provision of staff housing.

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

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

Transport

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

Economic services

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

Other property and services

To monitor and control Council's overheads operating accounts.

Operation of libraries, galleries and other cultural facilities.

'Facilitation of Town events including Spinifex Spree, Hedland Food Festival and other community events.

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.

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

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

The income and expenditure for Corporate Management, Financial Services, Human Resources and OHS, Governance, Records Management, Customer Services, Marketing and Communication, and Information Technology is also included here.

The majority of costs are distributed across other programs of Council, to better reflect the total cost of service delivery.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

1. RATES AND SERVICE CHARGES

(a) Rating Information

Rate Description	Basis of valuation	Rate in Dollar	Number of properties	Rateable value	2022/23 Budgeted rate revenue	2022/23 Budgeted interim rates	2022/23 Budgeted total revenue	2021/22 Estimate total revenue	2021/22 Budget total revenue
		\$		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(i) Differential general rates or general rates									
Gross rental valuations									
GRV Residential		0.07062	6,270	195,023	13,275	-	13,275	12,611	12,611
GRV Commercial/ Industrial		0.08979	734	61,785	5,407	-	5,407	5,052	5,052
GRV Mass Accommodation		0.13050	18	15,867	2,071	-	2,071	2,751	2,751
Unimproved valuations									
UV Pastoral		0.11298	10	1,400	158	-	158	250	250
UV Mining Other		0.20215	527	198,647	40,117	-	40,117	37,750	34,349
Sub-Total			7,559	472,723	61,028	-	61,028	58,413	55,012
(ii) Minimum payment									
Minimum									
\$									
Gross rental valuations									
GRV Residential		1,300	672	874	874	-	874	1,894	1,894
GRV Commercial/ Industrial		1,900	166	315	315	-	315	371	371
GRV Mass Accommodation		1,900	1	2	2	-	2	-	-
Unimproved valuations									
UV Pastoral		1,900	-	-	-	-	-	-	-
UV Mining Other		200	236	47	47	-	47	49	49
Sub-Total			1,075	1,238	1,238	-	1,238	2,314	2,314
			8,634	473,961	62,266	-	62,266	60,727	57,326
Concessions on general rates (Refer note 1(i))							(122)	(242)	(146)
Total amount raised from general rates							62,144	60,485	57,180

The Town did not raise specified area rates for the year ended 30th June 2023.

All land (other than 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 for the 2022/23 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 local government services/facilities.

1. RATES AND SERVICE CHARGES (CONTINUED)

(b) Interest Charges and Instalments - Rates and Service Charges

Instalment options	Date due	Instalment plan admin charge	Instalment plan interest rate	Unpaid rates interest rates
		\$	%	%
Option one				
Single full payment	5/09/2022	0	0.0%	7.0%
Option two				
First instalment	5/09/2022	0	5.5%	7.0%
Second instalment	7/11/2022	14	5.5%	7.0%
Third instalment	16/01/2023	14	5.5%	7.0%
Fourth instalment	20/03/2023	14	5.5%	7.0%

	2022/23 Budget revenue	2021/22 Estimate revenue	2021/22 Budget revenue
Instalment plan admin charge revenue	\$'000 66	\$'000 61	\$'000 60
Instalment plan interest earned	120	85	100
Unpaid rates and service charge interest earned	240	204	250
	426	350	410

1. RATES AND SERVICE CHARGES (CONTINUED)

(c) 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
Gross rental valuations			
GRV Residential	<p>Means any land that is predominately used for:</p> <ul style="list-style-type: none"> •Singular and multi-dwellings and is zoned Residential/Rural Residential approved by the Town of Port Hedland planning department under the Town of Port Hedland Local Planning Scheme 7; OR •Which is vacant of any construction and is zoned Residential/Rural Residential under the Town of Port Hedland Local Planning Scheme 7. 	The Object of this differential rate is to apply a base differential rate to residential properties for non-business purposes.	The reason for this rate is to ensure that all ratepayers make a reasonable contribution towards the financial impact and costs incurred in providing community services and activities, maintaining Town infrastructure, furthering the Town's strategic goals and encouraging and supporting residential development within the town sites.
GRV Commercial/Industrial	Identified as land being used for either commercial or industrial operations identified in the Town of Port Hedland Local Planning Scheme 7. This includes but is not limited to; the town centre, commercial business precincts, mixed business, shopping centres, Airports and Aerodromes, Wedgefield Industrial Estate and Strategic Industry zones, industrial, transport and light industry uses, the West End precinct and Port Hedland Port Authority leased land inside and outside Township boundary and privately owned land.	The object of this differential rate is to apply council rates to all income producing facilities, raising revenue to fund costs associated with the service provided to these properties, or locations.	<p>The differential acknowledges costs associated with the provision and maintenance of infrastructure used by commercial or industrial businesses including road structure, lighting and drainage, car parking, landscaping and higher costs in relation to infrastructure and regulatory services.</p> <p>In maintaining fairness and equity & ensuring consistency with previous years, the Council encourages local businesses to continue with growth and further improving and strengthening the economy at the same time also minimising and preventing land banking.</p> <p>The Council also recognises the additional cost of servicing some areas of the business sector within the Town, associated with maintenance to footpaths and roads, this differential also acknowledges the higher volumes of pedestrians and traffic movement than residential.</p>

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

(c) Objectives and Reasons for Differential Rating (Continued)

Differential general rate (Continued)

Description	Characteristics	Objects	Reasons
GRV Mass Accommodation	<p>Means any land:</p> <ul style="list-style-type: none"> • Whereby any approved transient workforce accommodation facilities are located; OR • Approved and predominantly used for providing large scale accommodation for visitors to the Town as identified in the Town of Port Hedland Local Planning Scheme 7: Holiday Accommodation, Hotel, Lodge, Motel, Tourist Development and Tourism Resort. 	<p>The object of this differential rate is to ensure that rates are distributed equitably between residents and non-residential workers, who spend a significant portion of the year in Port Hedland.</p>	<p>Patrons and employees of these premises are consumers of the Town's services and facilities. Mass Accommodation properties have the potential to have a greater impact on Council services and assets than other properties due to their number of occupant's on a relatively small land parcel.</p>

Unimproved valuations

UV Pastoral	<p>Means any land:</p> <ul style="list-style-type: none"> •that has been granted a pastoral lease under the repealed Land Act 1933; OR •renewal of pastoral leases (administered by the Department of Lands); OR •land predominately used for pastoral activities as defined in the Land Administration Act 1997. 	<p>The object of this differential rate is to be the base rate by which all other UV rated properties are assessed. Raised revenue is to provide for rural infrastructure and services in addition to the Town services, facilities and infrastructure which are available to be accessed by the properties in this category.</p>	<p>The Town has a continuing focus on development and diversification of Pastoral Properties in the region, encouraging development of tourism and rangeland activities in conjunction with reforms being introduced by the State Government, to support the opportunity for live cattle trade (Strategic Community Plan 2018/2028), and associated activities from the Port to further diversify the local economy.</p>
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(c) Objectives and Reasons for Differential Rating (Continued)

Differential general rate (Continued)

Description	Characteristics	Objects	Reasons
UV Mining Other	<p>This rating category covers:</p> <ul style="list-style-type: none"> • Mining Leases and Licences, Exploration Licenses, Prospecting Licenses, Retention Licenses, General Purpose Leases, Special Prospecting Licenses for Gold and Miscellaneous Licenses (all approved uses) defined under the Mining Act 1978 that have been granted by Department of Mines Industry and Regulation & Safety and determined as rateable; OR • predominately used for the purpose of resource processing; OR • processing or refining of fuel sources; OR • predominately used for the purpose of stock piling; OR • does not have the characteristics of any other UV differential rate category. 	<p>The object of this differential rate is to reflect and raise revenue to manage the impact on the Town by mining and resource sectors.</p>	<p>The impact on utilisation of urban and rural infrastructure by heavier transport and higher traffic volumes associated with resource sector operations supports the large investment that the Town of Port Hedland makes to road and road drainage infrastructure. This services 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 is achieved. Along with additional costs associated with monitoring and managing the effects of environmental impacts relating to dust, noise, air pollution and smell, and community complaints to such events which are all considered here.</p> <p>In addition, these properties have access to all other service facilities provided by Council. Properties with a land use UV often have a State or Regional significance, some of which are subject to legacy State Agreements that limit the methods of valuation to UV restrictive formulae for calculation of valuation. The differential rate for this category is considered to levy a proportional comparative with their impact on local community (i.e.: Heavy haulage vehicle movement, environmental health and strategic planning).</p>

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

(d) Differential Minimum Payment

Description	Characteristics	Objects	Reasons
General Minimum	The Town imposes consistent minimum rates across the rating categories, excluding GRV Residential and UV Mining and Other, ensuring all properties contribute an equitable rate amount to non-exclusive services. The minimum rate recognises that all ratepayers have an equal opportunity to enjoy the facilities and services provided by Council, regardless of the value of their property.	The objective is to ensure all properties contribute an equitable rate amount to non-exclusive services.	The minimum rate of \$1,900 recognises that all ratepayers have an equal opportunity to enjoy the facilities and services provided by Council, regardless of the value of their property.
GRV Residential	Means any land that is predominately used for: <ul style="list-style-type: none"> •Singular and multi-dwellings and is zoned Residential/Rural Residential approved by the Town of Port Hedland planning department under the Town of Port Hedland Local Planning Scheme 7; OR •Which is vacant of any construction and is zoned Residential/Rural Residential under the Town of Port Hedland Local Planning Scheme 7. 	The lower minimum is applied to ensure that the rate burden is distributed equitably between all property owners.	A lesser minimum of \$1,300 has been applied to ensure residential rate payers are not carrying an unreasonable level of the rate burden and is set at a level corresponding with estimated minimum contribution by each property to the cost of the services and infrastructure requirements.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

(d) Differential Minimum Payment(Continued)

Description	Characteristics	Objects	Reasons
UV Mining Other	<p>This rating category covers:</p> <ul style="list-style-type: none"> • Mining Leases and Licences, Exploration Licenses, Prospecting Licenses, Retention Licenses, General Purpose Leases, Special Prospecting Licenses for Gold and Miscellaneous Licenses (all approved uses) defined under the Mining Act 1978 that have been granted by Department of Mines Industry and Regulation & Safety and determined as rateable; OR • predominately used for the purpose of resource processing; OR • processing or refining of fuel sources; OR • predominately used for the purpose of stock piling; OR • does not have the characteristics of any other UV differential rate category. 	<p>The lower minimum is applied to ensure that the rate burden is distributed equitably between all property owners.</p>	<p>A lesser minimum of \$200 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.</p>

1. RATES AND SERVICE CHARGES (CONTINUED)

(e) Variation in Adopted Differential Rates to Local Public Notice

The following rates and minimum payments were previously set out in the local public notice giving notice of the intention to charge differential rates.

Differential general rate or general rate	Proposed Rate in \$	Adopted Rate in \$	Reasons for the difference
Gross rental valuations			
GRV Residential	0.07062	0.07062	Landgate property valuations received after rates were advertised. Adjustment made so that final rates match rating strategy of equality.
GRV Commercial/ Industrial	0.11069	0.08979	
GRV Mass Accomodation	0.19006	0.13050	
Unimproved valuations			
UV Pastoral	0.10961	0.11298	
UV Mining Other	0.18738	0.20215	

(f) Specified Area Rate

The Town will not raise specified area rates for the year ended 30th 2023.

(g) Service Charges

The Town will not raise service charges for the year ended 30th 2023.

(h) Early payment discounts

The Town will not have rates discounts for the year ended 30th June 2023.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

1. RATES AND SERVICE CHARGES (CONTINUED)

(i) Waivers or concessions

Rate, fee or charge to which the waiver or concession is granted	Note	Type	Discount %	Discount (\$)	2022/23 Budget	2021/22 Estimate	2021/22 Budget
					\$'000	\$'000	\$'000
Volunteer Marine Rescue Group		Concession	100%		3	4	4
RSL Port Hedland Sub Branch		Concession	100%		2	3	3
Rose Nowers Early Learning Centre Inc		Concession	0%		-	2	2
Port Hedland Kart Club		Concession	100%		1	2	2
Hedland BMX		Concession	100%		2	1	1
Cooke Point Playgroup		Concession	100%		1	2	2
South Hedland Owners and Trainers Association		Concession	100%		24	43	43
Hedland Sporting Shooters Club		Concession	100%		8	13	13
Port Hedland Pony Club		Concession	0%		-	1	1
Port Hedland Motorcycle Club		Concession	100%		18	32	32
Port Hedland Peace Memorial Seafarers Centre		Concession	0%		-	6	6
One Tree Community Services Inc.		Concession	50%		3	3	-
Bloodwood Tree Association Inc.		Concession	50%		3	5	5
Grand Lodge Freemasons		Concession	100%		3	4	4
Port Hedland Netball Association		Concession	100%		2	1	1
Hedland Well Womens Centre		Concession	100%		1	2	2
Port Hedland Speedway Club		Concession	100%		13	24	24
Care for Hedland		Concession	50%		2	1	1
Port Hedland Turf Club		Concession	100%		5	-	-
Treloar Child Care Centre Inc.		Concession	50%		2	-	-
					94	149	146
St Johns Ambulance (refer Note 1)		Exemption	100%		17	83	-
Pensioner Rate Cap Gap Remission (refer Note 2)		Remission			11	10	-
				Total	122	242	146

Note 1: St Johns Ambulance - On 23 February 2022, Council approved a rates concession totalling \$83,423, applicable to 2021-22 and the preceding four years

Note 2: During December 2021 Council approved a 2021-22 Pensioner Rate Cap Gap Remission of \$9,649

Circumstances in which the waiver or concession is granted:

Meets the requirement of being a "not for Profit" Community Group as per Policy 2/014 Rates Concesssion policy (Rateable land).

Objects and reasons of the waiver or concession:

To provide relief to community groups within the Town of Port Hedland municipality that provide a benefit to the community.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

2 NET CURRENT ASSETS

		2022/23 Budget 30 June 2023	2021/22 Estimate 30 June 2022	2021/22 Budget 30 June 2022
Note	\$'000	\$'000	\$'000	\$'000
(a) Composition of estimated net current assets				
Current assets				
Cash and cash equivalents - unrestricted	3	30,000	30,000	2,411
Cash and cash equivalents - restricted	3	109,264	164,183	183,782
Financial assets - unrestricted		53	53	61
Financial assets - restricted	3	-	-	-
Receivables		8,397	9,190	5,799
Other assets		-	-	223
Inventories		1,800	1,846	1,746
		149,514	205,272	194,022
Less: current liabilities				
Trade and other payables		(5,174)	(5,886)	(4,034)
Contract liabilities		(803)	(1,037)	(13,637)
Unspent non-operating grants, subsidies and contributions liability		(1,511)	(1,511)	(4,224)
Lease liabilities	7	(80)	(145)	(276)
Long term borrowings	6	(24,269)	-	(25,743)
Employee provisions		(1,897)	(1,897)	(2,296)
Other provisions		(400)	(400)	-
		(34,134)	(10,876)	(50,210)
Net current assets		115,380	194,396	143,812
Less: Total adjustments to net current assets	2(c)	(113,078)	(199,811)	(143,657)
Net current assets used in the Rate Setting Statement		2,302	(5,415)	155

(b) Non-cash amounts excluded from operating activities

The following non-cash revenue or expenditure has been excluded from amounts attributable to operating activities within the Rate Setting Statement in accordance with *Financial Management Regulation 32*.

		2022/23 Budget	2021/22 Actual	2021/22 Budget
Note	\$'000	\$'000	\$'000	\$'000
Adjustments to operating activities				
Less: Profit on asset disposals	4(b)	(400)	-	(126)
Less: Reversal of prior year loss on revaluation of non-current assets		-	-	-
Add: Loss on disposal of assets	4(b)	-	150	153
Add: Loss on revaluation of non current assets		-	-	-
Add: Depreciation on assets	5	14,641	12,552	12,620
Movement in non-current pensioner deferred rates		-	-	-
Movement in non-current employee provisions		-	-	-
Movement in non-current contract liability		(4,060)	(8,416)	(924)
Movement of non-current inventory		-	-	-
Movement in current contract liabilities associated with restricted cash		-	-	-
Movement in current employee provisions associated with restricted cash		-	-	-
Non cash amounts excluded from operating activities		10,181	4,286	11,723

(c) Current assets and liabilities excluded from budgeted deficiency

The following current assets and liabilities have been excluded from the net current assets used in the Rate Setting Statement in accordance with *Financial Management Regulation 32* to agree to the surplus/(deficit) after imposition of general rates.

		2022/23 Budget	2021/22 Actual	2021/22 Budget
Note	\$'000	\$'000	\$'000	\$'000
Adjustments to net current assets				
Less: Unspent borrowings	6(c)	-	-	-
Less: Cash - restricted reserves	8	(130,712)	(193,348)	(161,046)
Less: Financial assets - restricted	3	-	-	-
Less: Current assets restricted to trading undertaking		-	-	-
Less: Current assets not expected to be received at end of year		-	-	-
- Current portion of self supporting loans receivable		-	-	-
- Land held for resale		(1,310)	(1,310)	(1,344)
- Rates receivable		-	-	-
- Operating Grants and Contributions		(121)	-	-
- Other liabilities		(5,284)	(5,298)	-
Add: Current liabilities not expected to be cleared at end of year		-	-	-
- Current portion of borrowings		24,269	-	-
- Current portion of lease liabilities		80	145	276
- Lease premium prepaid - income in advance		-	-	924
- Current portion of capital expenditure provisions Airport works		-	-	13,637
- Current portion of other provisions held in reserve		-	-	3,023
- Current portion of employee benefit provisions held in reserve		-	-	873
Total adjustments to net current assets		(113,078)	(199,811)	(143,657)

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

3 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:

	Note	2022/23 Budget	2021/22 Estimate	2021/22 Budget
		\$'000	\$'000	\$'000
Cash at bank and on hand		30,000	30,000	34,073
Term deposits		109,264	164,183	152,120
Total cash and cash equivalents		139,264	194,183	186,193
Held as				
- Unrestricted cash and cash equivalents	2(a)	30,000	30,000	30,000
- Restricted cash and cash equivalents	2(a)	109,264	164,183	156,193
		139,264	194,183	186,193
Restrictions				
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:				
- Cash and cash equivalents		30,000	30,000	30,000
- Restricted financial assets at amortised cost - term deposits	2(a)	109,264	164,183	156,193
		139,264	194,183	186,193
The restricted assets are a result of the following specific purposes to which the assets may be used:				
Financially backed reserves	8	130,712	193,348	161,046
Unspent borrowings	6(c)	-	-	-
Contract liabilities		-	-	39,456
Unspent non-operating grants, subsidies and contribution liabilities			1,511	4,242
Other provisions		400	400	13,637
		131,112	195,259	218,381
Reconciliation of net cash provided by operating activities to net result				
Net result		(8,373)	25,402	(10,652)
Depreciation	5	14,641	12,552	12,620
(Profit)/loss on sale of asset	4(b)	(400)	150	27
(Increase)/decrease in receivables		(16,726)	1,659	-
Increase/(decrease) in payables			(9,557)	-
Increase/(decrease) in contract liabilities		-	(237)	(924)
Increase/(decrease) in unspent non-operating grants		-	(3,309)	-
Increase/(decrease) in other provision		-	-	-
Increase/(decrease) in employee provisions		-	(281)	-
Non-operating grants, subsidies and contributions		-	(3,743)	(8,002)
Net cash from operating activities		(10,858)	22,636	(6,931)

SIGNIFICANT ACCOUNTING POLICES

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.

FINANCIAL ASSETS AT AMORTISED COST

The Town classifies financial assets at amortised cost if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cashflows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

4 FIXED ASSETS

(a) Acquisition of Assets

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

Asset class	Reporting program											2022/23 Budget total	2021/22 Estimate	2021/22 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			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property, Plant and Equipment														
Land - freehold land	-	-	-	-	-	2,650	-	-	-	-	-	2,650	-	-
Land - vested in and under the control of council	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings - non-specialised	-	-	-	-	-	3,505	-	-	-	-	-	3,505	9,505	9,502
Buildings - specialised	-	-	-	-	770	-	795	16,178	-	-	3,700	21,443	10,984	12,136
Furniture and equipment	-	-	-	-	-	-	-	-	-	-	-	-	33	45
Plant and equipment	-	-	1,000	-	-	65	50	2,489	6,520	-	779	10,902	6,724	6,674
Other property, plant and equipment WIP	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other property, plant and equipment [describe]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other property, plant and equipment [describe]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other property, plant and equipment [describe]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other property, plant and equipment [describe]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	1,000	-	770	6,220	845	18,666	6,520	-	4,479	38,499	27,247	28,357
Infrastructure														
Infrastructure - Roads and Bridges	-	-	-	-	-	-	-	-	2,483	-	-	2,483	9,044	9,652
Infrastructure - footpaths	-	-	-	-	-	-	2,600	-	500	-	-	3,100	981	1,950
Infrastructure - drainage	-	-	-	-	-	-	2,200	135	689	-	-	3,024	903	3,027
Infrastructure - water supply	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Infrastructure - parks and ovals	-	-	-	-	-	-	-	7,955	370	-	-	8,325	8,087	9,590
Infrastructure - waste facilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure	-	-	-	-	-	200	990	14,668	9,767	610	-	26,236	13,951	14,916
Other infrastructure Bus Shelter	-	-	-	-	-	-	-	-	-	-	-	-	-	60
Other infrastructure Depot	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure wip	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	200	5,790	22,758	13,809	610	-	43,168	32,965	39,195
Total acquisitions	-	-	1,000	-	770	6,420	6,635	41,425	20,329	610	4,479	81,667	60,212	67,552

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

SIGNIFICANT ACCOUNTING POLICIES

RECOGNITION OF ASSETS

Assets for which the fair value as at the date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5). These assets are expensed immediately.

Where multiple individual low value assets are purchased together as part of a larger asset or collectively forming a larger asset exceeding the threshold, the individual assets are recognised as one asset and capitalised.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

4 FIXED ASSETS

(b) Disposals of Assets

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

	2022/23 Budget Net Book Value	2022/23 Budget Sale Proceeds	2022/23 Budget Profit	2022/23 Budget Loss	2021/22 Estimate Net Book Value	2021/22 Estimate Sale Proceeds	2021/22 Estimate Profit	2021/22 Estimate Loss	2021/22 Budget Net Book Value	2021/22 Budget Sale Proceeds	2021/22 Budget Profit	2021/22 Budget Loss
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
By Program												
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	1,337	1,737	400	-	187	37	-	(150)	422	395	126	(153)
	1,337	1,737	400	-	187	37	-	(150)	422	395	126	(153)
By Class												
<i>Property, Plant and Equipment</i>												
Land - freehold land	-	-	-	-	-	-	-	-	-	-	-	-
Land - vested in and under the control of council	-	-	-	-	-	-	-	-	-	-	-	-
Buildings - non-specialised	-	-	-	-	110	1	-	(109)	-	-	-	-
Buildings - specialised	-	-	-	-	-	-	-	-	-	-	-	-
Furniture and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Plant and equipment	1,337	1,737	400	-	77	36	-	(41)	422	395	126	(153)
Other property, plant and equipment WIP	-	-	-	-	-	-	-	-	-	-	-	-
Other property, plant and equipment [describe]	-	-	-	-	-	-	-	-	-	-	-	-
Other property, plant and equipment [describe]	-	-	-	-	-	-	-	-	-	-	-	-
Other property, plant and equipment [describe]	-	-	-	-	-	-	-	-	-	-	-	-
Other property, plant and equipment [describe]	-	-	-	-	-	-	-	-	-	-	-	-
	1,337	1,737	400	-	187	37	-	(150)	422	395	126	(153)

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

SIGNIFICANT ACCOUNTING POLICIES

GAINS AND LOSSES ON DISPOSAL

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.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

5 ASSET DEPRECIATION

	2022/23 Budget	2021/22 Estimate	2021/22 Budget
	\$'000	\$'000	\$'000
By Program			
Governance	159	6	14
Law, order, public safety	382	247	249
Health	264	133	160
Education and welfare	717	465	514
Housing	1,363	541	303
Community amenities	970	872	998
Recreation and culture	4,242	4,907	5,195
Transport	1,975	4,606	4,603
Economic services	3,190	43	50
Other property and services	1,379	733	534
	14,641	12,552	12,620
By Class			
Buildings - non-specialised	2,702	680	-
Buildings - specialised		2,997	3,826
Furniture and equipment	1,113	660	621
Plant and equipment	3,930	1,479	1,059
Infrastructure - Roads and Bridges	27	2,872	3,268
Infrastructure - footpaths	3,866	658	647
Infrastructure - drainage	914	255	279
Infrastructure - parks and ovals	1,615	2,419	2,536
Other infrastructure Bus Shelter	6	14	14
Other infrastructure Depot	277	359	370
Right of use - buildings	85	53	-
Right of use - plant and equipment	106	106	-
	14,641	12,552	12,620

5 ASSET DEPRECIATION(CONTINUED)

SIGNIFICANT ACCOUNTING POLICIES

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.

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.

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

Buildings - non-specialised	30 to 50 years
Buildings - specialised	50 to 80 years
Furniture and equipment	4 to 10 years
Plant and equipment	5 to 15 years
Infrastructure - Sealed Roads & Streets	
formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	40 years
Infrastructure - Gravel Roads	
formation	not depreciated
pavement	50 years
gravel sheet	12 years
Infrastructure - Formed Roads	
formation	not depreciated
pavement	50 years
Infrastructure - Bridges	
superstructure	50 years
substructure	100 years
Infrastructure - drainage	75 to 100 years
Infrastructure - footpaths	20 years
Infrastructure - water supply	30 to 75 years
Infrastructure - parks and ovals	10 to 60 Years
Infrastructure - waste facilities	40 Years
Other Infrastructure	
Other infrastructure Bus Shelter	15 years
Other infrastructure Depot	20 to 50 years
Right of use - buildings	Based on the remaining lease
Right of use - plant and equipment	Based on the remaining lease

AMORTISATION

The depreciable amount of all intangible assets with a finite useful life, are depreciated on a straight-line basis over the individual asset's useful life from the time the asset is held for use.

The assets residual value of intangible assets is considered to be zero and useful live and amortisation method are reviewed at the end of each financial year.

Amortisation is included within Depreciation on non-current assets in the Statement of Comprehensive Income.

RECOGNITION OF ASSETS

Assets for which the fair value as at date of acquisition is under \$5,000 are not recognised as an asset in accordance with Financial Management Regulation 17A (5). These assets are expensed immediately.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

6 INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

Purpose	Loan Number	Institution	Interest Rate	Budget	2022/23	2022/23	Budget	2022/23	Estimate	2021/22	2021/22	Actual	2021/22	Budget	2021/22	2021/22	Budget	2021/22
				Principal	Budget	Budget	Principal	Estimate		Estimate	Estimate	Estimate	Principal	Budget	Budget	Budget	Principal	Principal
				1 July 2022	New	Principal	outstanding	Interest	1 July 2021	New	Principal	30 June 2022	Interest	1 July 2021	New	Principal	30 June 2022	Interest
				\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Housing																		
Staff Housing			2.8%	-	10,000	(380)	9,620	(350)	-	-	-	-	-	-	9,276	(180)	9,097	(235)
Community amenities																		
Seawalls			2.8%	-	10,069	(382)	9,687	(352)	-	-	-	-	-	-	9,174	(178)	8,997	(232)
Other property and services																		
Depot Facility			2.8%	-	4,200	(160)	4,040	(147)	-	-	-	-	-	-	8,868	(172)	8,697	(224)
				-	24,269	(922)	23,347	(849)	-	-	-	-	-	-	27,319	(529)	26,790	(691)

All borrowing repayments will be financed by general purpose revenue.

6 INFORMATION ON BORROWINGS

(b) New borrowings - 2022/23

Particulars/Purpose	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
				%	\$'000	\$'000	\$'000	\$'000
Staff Housing	Not Yet Determined	Principal & Interest	20	2.8%	10,000	(350)	10,000	-
Depot Masterplan	Not Yet Determined	Principal & Interest	20	2.8%	4,200	(147)	4,200	-
Seawalls	Not Yet Determined	Principal & Interest	20	2.8%	10,069	(352)	10,069	-
					24,269	(849)	24,269	-

(c) Unspent borrowings

The Town had no unspent borrowing funds as at 30th June 2022 nor is it expected to have unspent borrowing funds as at 30th June 2022.

(d) Credit Facilities

	2022/23 Budget	2021/22 Estimate	2021/22 Budget
Undrawn borrowing facilities credit standby arrangements	\$'000	\$'000	\$'000
Credit card limit	125,000	125,000	100,000
Loan facilities			
Loan facilities in use at balance date	23,347	-	26,790

SIGNIFICANT ACCOUNTING POLICIES

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.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

7 LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2022/23 Budget	2022/23 Budget Lease	Budget Lease	2022/23 Budget Lease	Estimate	2021/22 Estimate	2021/22 Estimate	Actual Estimate	2021/22 Estimate	Budget	2021/22 Budget	2021/22 Budget	Budget Lease	2021/22 Budget Lease
					Principal 1 July 2022	New Leases	Principal Repayments	Principal outstanding 30 June 2023	Interest Repayments	Principal 1 July 2021	New Leases	Principal repayments	Principal outstanding 30 June 2022	Interest repayments	Principal 1 July 2021	New Leases	Principal repayments	Principal outstanding 30 June 2022	Interest repayments
Housing					\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Staff House		Crawford Real Estate	1.1%	1 year	-	-	-	-	-	40	-	(40)	-	(1)	40	-	(40)	-	(1)
Recreation and culture																			
Port Hedland Library		Sentinel Countrywide Retail	1.6%	3 years	48	-	(48)	-	(3)	98	-	(50)	48	(2)	98	-	(50)	48	(2)
Gratwick Gym Equipment		MAIA	1.2%	3 years	177	-	(97)	80	(4)	275	-	(98)	177	(4)	249	-	(89)	160	(2)
					225	-	(145)	80	(7)	413	-	(188)	225	(7)	387	-	(179)	208	(5)

SIGNIFICANT ACCOUNTING POLICIES

LEASES

At the inception of a contract, the TOWN assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the commencement date, a right-of-use asset is recognised at cost and a lease liability, at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the TOWN uses its incremental borrowing rate.

LEASE LIABILITIES

The present value of future lease payments not paid at the reporting date discounted using the incremental borrowing rate where the implicit interest rate in the lease is not readily determined.

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

8 FINANCIALLY BACKED RESERVES

(a) Financially Backed Reserves - Movement

	2022/23 Budget Opening Balance	2022/23 Budget Transfer to	2022/23 Budget Transfer (from)	2022/23 Budget Closing Balance	2021/22 Estimate Opening Balance	2021/22 Estimate Transfer to	2021/22 Estimate Transfer (from)	2021/22 Estimate Closing Balance	2021/22 Budget Opening Balance	2021/22 Budget Transfer to	2021/22 Budget Transfer (from)	2021/22 Budget Closing Balance
Restricted by legislation	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(a) Unfinished Works & Committed Works Reserve	-	-	-	-	1,425	-	(1,425)	-	2,389	-	-	2,389
(b) Housing Reserve	584	1,000	(340)	1,245	584	-	-	584	584	-	-	584
(c) Spoilbank Reserve	36,357	-	(24,000)	12,357	36,357	-	-	36,357	12,357	-	-	12,357
(d) Asset Management Reserve	5,242	16,486	(21,405)	323	5,242	-	-	5,242	5,192	1,357	-	6,549
(e) Waste Management Reserve	6,231	-	(2,690)	3,541	6,574	-	(343)	6,231	6,549	296	(3,010)	3,835
(f) Strategic Reserve	112,736	-	(24,628)	88,108	139,171	19,554	(45,989)	112,736	142,747	-	(43,067)	99,680
(g) Cyclone Emergency Response Reserve	80	-	-	80	80	-	-	80	80	-	-	80
	161,230	17,486	(73,063)	105,654	189,433	19,554	(47,757)	161,230	169,898	1,653	(46,077)	125,474
Restricted by council												
(a) Employee Leave reserve	1,376	940	-	2,316	1,376	-	-	1,376	1,376	-	-	1,376
(b) Plant reserve	1,405	3,076	(4,076)	405	1,405	-	-	1,405	2,875	1,500	-	4,375
(c) Airport reserve	4,286	-	(500)	3,786	4,286	-	-	4,286	4,792	-	-	4,792
(d) Financial Risk Reserve	18,551	-	(6,500)	12,051	25,051	-	(6,500)	18,551	25,113	-	(6,500)	18,613
(e) Landfill Establishment Reserve	6,500	-	-	6,500	-	6,500	-	6,500	-	6,416	-	6,416
	32,118	4,016	(11,076)	25,058	32,118	6,500	(6,500)	32,118	34,156	7,917	(6,500)	35,572
	193,348	21,502	(84,138)	130,712	221,551	26,054	(54,257)	193,348	204,054	9,570	(52,577)	161,046

(b) Financially Backed Reserves - Purposes

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

Reserve name	Anticipated date of use	Purpose of the reserve
Restricted by legislation		
(a) Unfinished Works & Committed Works Reserve	Ongoing	To transfer unspent municipal funded expenditure on specific projects to enable identification of carryover expenditure into the next financial year.
(b) Housing Reserve	Ongoing	To fund the maintenance, refurbishment, redevelopment and construction of Local Government provided housing.
(c) Spoilbank Reserve	Ongoing	To fund the Port Hedland Spoilbank development.
(d) Asset Management Reserve	Ongoing	To fund the ongoing maintenance, refurbishment, renewal, replacement and development of Council owned infrastructure assets within the Town of Port Hedland.
(e) Waste Management Reserve	Ongoing	To fund the development, operation, maintenance, and capital expenditure for the Council's waste
(f) Strategic Reserve	Ongoing	To fund strategic projects as included in the Town's Strategic Community Plan and Corporate Business Plan.
(g) Cyclone Emergency Response Reserve	Ongoing	To fund cyclone and emergency related projects.
Restricted by council		
(a) Employee Leave reserve	Ongoing	To ensure adequate funds are available to finance employee leave entitlements such as annual leave, long service leave, sick leave and redundancies.
(b) Plant reserve	Ongoing	To fund the plant replacement program.
(c) Airport reserve	Ongoing	To fund the future Port Hedland International Airport Capital Works commitments.
(d) Financial Risk Reserve	Ongoing	To provide funds to mitigate against financial risk including legal cases with penalties awarded against the Town, SAT rulings upholding valuation objections on high value properties likely to cause significantly large refunds and other unknown events potentially resulting in financial loss to the Town.
(e) Landfill Establishment Reserve	Ongoing	To fund the closure and repatriation of the existing landfill facility.

9 FEES AND CHARGES

	2022/23 Budget	2021/22 Estimate	2021/22 Budget
	\$'000	\$'000	\$'000
By Program:			
General purpose funding	1,012	797	997
Law, order, public safety	72	86	91
Health	470	383	399
Education and welfare	41	22	72
Community amenities	11,369	11,026	11,089
Recreation and culture	2,744	2,901	2,508
Transport	140	257	
Economic services	810	797	813
Other property and services	-	1	-
Total Fees and Charges	16,658	16,270	15,969

10 GRANT REVENUE

	2022/23 Budget	2021/22 Estimate	2021/22 Budget
By Program:	\$'000	\$'000	\$'000
(a) Operating grants, subsidies and contributions			
General purpose funding	1,506	1,658	707
Law, order, public safety	-	23	100
Health	4	7	4
Education and welfare	95	59	67
Community amenities	1,248	7	800
Recreation and culture	545	477	394
Transport	180	-	180
Economic services	97	-	-
Other property and services	36	-	6
	3,711	2,231	2,258
(b) Non-operating grants, subsidies and contributions			
Community amenities	-	5	60
Recreation and culture	9,530	6,708	7,192
Transport	3,137	339	750
	12,667	7,052	8,002
Total Grant Revenue	16,378	9,283	10,260

11 OTHER INFORMATION

	2022/23 Budget	2021/22 Estimate	2021/22 Budget
	\$'000	\$'000	\$'000
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Reserve funds	-	412	-
- Other funds	1,213	212	969
Late payment of fees and charges *	244	320	251
Other interest revenue (refer note 1b)	360	289	350
	1,817	1,233	1,570
* The TOWN has resolved to charge interest under section 6.13 for the late payment of any amount of money at 5%.			
(b) Other revenue			
Reimbursements and recoveries	604	2,133	1,550
Other	1,628	688	950
	2,232	2,821	2,500
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	155	60	95
	155	60	95
(d) Interest expenses (finance costs)			
Borrowings (refer Note 6(a))	849	-	691
Interest expense on lease liabilities	7	7	5
	856	7	696
(e) Doubtful Debts Provision			
General Debts	600	102	90
	600	102	90

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023

12 MAJOR LAND TRANSACTIONS

(a) Details

The Town intends to purchase Hamilton and Roberts Road Land, develop and sell to a developer in the 2022/23 financial year.

(b) Current year transactions	Note	2022/23 Budget	2021/22 Estimate	2021/22 Budget			
		\$'000	\$'000	\$'000			
Capital expenditure							
Land Acquisition	4(a)	1,000	-	-			
		1,000	-	-			
(c) Expected future cash flows							
		2022/23	2023/24	2024/25	2025/26	2026/27	Total
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Costs of Land Acquisition		1,000	-	-	-	-	1,000
		1,000	-	-	-	-	1,000
Sales of Land		1,000	-	-	-	-	1,000
		1,000	-	-	-	-	1,000
Net cash flows		-	-	-	-	-	-
		-	-	-	-	-	-

TOWN OF PORT HEDLAND
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2023
13 ELECTED MEMBERS REMUNERATION

	2022/23 Budget	2021/22 Estimate	2021/22 Budget
	\$'000	\$'000	\$'000
Elected Member [Mayor Peter Carter]			
Mayor's allowance	90	90	19
Meeting attendance fees	48	48	14
ICT expenses	3	3	1
Travel and accommodation expenses	15	22	4
	156	162	38
Elected member [Deputy Mayor Tim Turner]			
Deputy Mayor's allowance	22	16	
Meeting attendance fees	32	32	10
ICT expenses	3	4	1
Travel and accommodation expenses	-	16	-
	57	67	11
Elected member [Councillor Renae Coles]			
Deputy Mayor's allowance	-	7	24
Meeting attendance fees	32	32	32
ICT expenses	3	4	3
Travel and accommodation expenses	-	-	4
	35	42	63
Elected member [Councillor Warren McDonogh]			
Meeting attendance fees	-	19	32
ICT expenses	-	2	3
	-	21	35
Elected member [Councillor Jan Gillingham]			
Meeting attendance fees	32	32	32
ICT expenses	3	4	3
	35	35	35
Elected member [Councillor Elmar Zielke]			
Meeting attendance fees	32	32	32
ICT expenses	3	4	3
	35	35	35
Elected member [Councillor Lewis Kew Ming]			
Meeting attendance fees	-	9	10
ICT expenses	-	1	1
	-	10	11
Elected member [Councillor Eva Bartho]			
Meeting attendance fees	-	9	10
ICT expenses	-	1	1
	-	10	11
Elected member [Councillor Kylie Unkovich]			
Meeting attendance fees	-	9	10
ICT expenses	-	1	1
	-	10	11
Elected member [Councillor Ash Christensen]			
Meeting attendance fees	32	22	-
ICT expenses	3	3	-
	35	25	-
Elected member [Councillor David Eckhart]			
Meeting attendance fees	32	22	-
ICT expenses	3	3	-
	35	25	-
Elected member [Councillor Laveni F Bennett]			
Meeting attendance fees	32	22	-
ICT expenses	3	3	-
	35	25	-
Elected member [Councillor Jason Keller]			
Meeting attendance fees	32	4	-
ICT expenses	3	1	-
	35	4	-
Elected member [Balance Elected member pool]			
Meeting attendance fees	-	-	78
Mayor's allowance	-	-	71
ICT expenses	-	-	16
Travel and accommodation expenses	-	-	34
	-	-	199
Total Elected Member Remuneration	458	472	449
Mayor's allowance	90	90	90
Deputy Mayor's allowance	22	22	24
Meeting attendance fees	304	292	260
ICT expenses	27	30	33
Travel and accommodation expenses	15	38	42
	458	472	449

14 TRUST FUNDS

Funds held at balance date which are required by legislation to be credited to the trust fund and which are not included in the financial statements are as follows:

Detail	Balance 30 June 2022	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2023
	\$'000	\$'000	\$'000	\$'000
Nominated Election Bond	1	-	-	1
Public Open Space	376	-	-	376
Mosquito Control	3	-	-	3
	380	-	-	380

15 INVESTMENT IN ASSOCIATES

It is not anticipated the Town will be party to any joint venture arrangements during 2022/23.

SIGNIFICANT ACCOUNTING POLICIES

Investments in associates

An associate is an entity over which the Town has significant influence. Significant influence is the power to participate in the financial operating policy decisions of that entity but is not control or joint control of those policies. Investments in associates are accounted for in the financial statements by applying the equity method of accounting, whereby the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the Town's share of net assets of the associate. In addition, the Town's share of the profit or loss of the associate is included in the Town's profit or loss. recognised.

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Town's share of the net fair value of the associate exceeds the cost of investment, is recognised in profit or loss in the period in which the investment is acquired.

TOWN OF PORT HEDLAND
BUDGET 2022/23
NOTE 16 - CAPITAL WORKS PROGRAM 2022/23

Priority Projects				Funding					
Capital Projects		Asset Classification	Total Budget 2022/23	Reserve Funded	Borrowings	Grants, Subsidies & Contributions	Sale of Assets	Municipal Funded	
TOTAL \$			81,667,022	(53,138,855)	(12,682,300)	(12,666,867)	(50,000)	(3,129,000)	
PHSCH - Stage 1 Community Centre (Construction)		new	15,500,000	(8,500,000)	-	(7,000,000)	-	-	
Seawalls Construction		New	6,952,300	-	(5,552,300)	(1,400,000)	-	-	
Annual Renewal Plant Replacement Program		Renewal	6,457,000	(3,278,000)	-	-	(50,000)	(3,129,000)	
Shade Structure at South Hedland Skate Park		Upgrade	4,500,000	(4,500,000)	-	-	-	-	
Depot Masterplan		Upgrade	3,700,000	-	(3,700,000)	-	-	-	
Finucane Island Boat Ramp Stage 2 - Landside Works		Upgrade	2,316,456	(1,295,000)	-	(1,021,456)	-	-	
South Hedland Entrance Statement & Commons		Upgrade	2,100,000	(778,921)	-	(1,321,079)	-	-	
Landfill Replacement Pond Linner		Renewal	2,000,000	(2,000,000)	-	-	-	-	
Annual Renewal Program - Drainage		Upgrade	2,200,000	(2,200,000)	-	-	-	-	
Road Reseal Program		Upgrade	2,000,000	(2,000,000)	-	-	-	-	
Staff Housing - Dempster St Three Town House Development		New	1,700,000	-	(1,700,000)	-	-	-	
Regional Roads Group - Wedgefield Route 1 Connection		Upgrade	1,600,000	(533,334)	-	(1,066,666)	-	-	
JD Hardie Stage 2 - Multi User Courts and Surrounds		Upgrade	1,537,000	(1,349,500)	-	(187,500)	-	-	
South Hedland Townsite Activation		Upgrade	1,500,000	(1,500,000)	-	-	-	-	
Colebatch Way Land Acquisition		New	1,400,000	(1,400,000)	-	-	-	-	
Hamilton & Roberts Road Land Acquisition		New	1,000,000	(1,000,000)	-	-	-	-	
Tafe Site Land Acquisition & Development		New	250,000	(250,000)	-	-	-	-	
Annual Renewal Program - Footpaths		Upgrade	1,000,000	(1,000,000)	-	-	-	-	
Public Open Space Redevelopment - Marquee Park		Upgrade	900,000	(900,000)	-	-	-	-	
Wilson Street Shared Path		New	1,100,000	(662,500)	-	(437,500)	-	-	
McGregor Street Oval Surface Levelling & Lights		Upgrade	750,000	(750,000)	-	-	-	-	
Koombana Lookout to Sutherland Street POS Upgrade		Upgrade	1,300,000	(1,300,000)	-	-	-	-	
Len Taplin Upgrades		Upgrade	660,000	(660,000)	-	-	-	-	
Commercial Equipment Fit Out - Wanangkura Stadium		Renewal	550,000	(550,000)	-	-	-	-	
Dual-use Path and Lighting Masterplan		New	500,000	(500,000)	-	-	-	-	
Sutherland to Richardson St Footpath Extension Stage 2		New	500,000	(500,000)	-	-	-	-	
CCTV Upgrades		Upgrade	1,000,000	(1,000,000)	-	-	-	-	
SHISH - Masterplan Design		Upgrade	500,000	(500,000)	-	-	-	-	
IT Hardware & Software NEW		New	465,000	(465,000)	-	-	-	-	
Staff Housing - Langley Gardens		New	680,000	-	(680,000)	-	-	-	
Leehey Street Drainage Improvements		Upgrade	371,621	(371,621)	-	-	-	-	
Solar Strategy Implementation		Upgrade	400,000	(400,000)	-	-	-	-	
Annual Renewal Program - Kerbing		Upgrade	400,000	(400,000)	-	-	-	-	
Project Purple		New	250,000	-	(250,000)	-	-	-	
Playground Softfall Renewal Program		Upgrade	840,000	(840,000)	-	-	-	-	
Annual Renewal Program - Streetscapes		Upgrade	370,000	(370,000)	-	-	-	-	
Annual Renewal Program - Commercial Buildings		Upgrade	360,000	(360,000)	-	-	-	-	
Staff Housing - 82 Sutherland St Carryover		Upgrade	350,000	-	(350,000)	-	-	-	
Colin Matheson - Stage 2 Changerooms		Upgrade	350,000	(350,000)	-	-	-	-	
JD Hardie Security Upgrades		Upgrade	350,000	(350,000)	-	-	-	-	
Landfill Masterplan		New	490,000	(490,000)	-	-	-	-	
Annual Renewal Program - Turf		Upgrade	340,000	(340,000)	-	-	-	-	
Annual Renewal Program - Staff Housing		Upgrade	325,000	(325,000)	-	-	-	-	

**TOWN OF PORT HEDLAND
BUDGET 2022/23
NOTE 16 - CAPITAL WORKS PROGRAM 2022/23**

Priority Projects		Funding					
Capital Projects	Asset Classification	Total Budget 2022/23	Reserve Funded	Borrowings	Grants, Subsidies & Contributions	Sale of Assets	Municipal Funded
Depot Nursery	New	310,000	(310,000)	-	-	-	-
Staff Housing - 85 Sutherland St Carryover	New	450,000		(450,000)			
Annual Renewal Program - Carparks	Upgrade	300,000	(300,000)	-	-	-	-
Annual Renewal Program - Irrigation Infrastructure	Renewal	300,000	(300,000)	-	-	-	-
Annual Renewal Program - Restricted Access	Upgrade	300,000	(300,000)	-	-	-	-
Public Open Space Redevelopment - Pretty Pool	Upgrade	370,000	(370,000)	-	-	-	-
IT Hardware & Software Renewals	Renewal	779,000	(779,000)	-	-	-	-
JD Hardie Stage 3 - Outdoor Elements (Formerly Stage 2)	Upgrade	270,000	(270,000)	-	-	-	-
Logue Court Flood Prevention Works	Upgrade	186,178	(186,178)	-	-	-	-
Pioneer Cemetery Upgrades - Stage 2	Upgrade	230,000	(230,000)	-	-	-	-
Wanangkura Stadium Health Club & Group Fitness Renewal	Renewal	222,000	(222,000)	-	-	-	-
SHAC Carpark	New	200,000	(200,000)	-	-	-	-
Government Regional Officer & Service Workers Housing	New	200,000	(200,000)	-	-	-	-
Landfill Weigh Bridge Office	New	200,000	(200,000)	-	-	-	-
Wanangkura Stadium Integriti Alam Fit Out	Renewal	187,100	(187,100)	-	-	-	-
Annual Renewal Program - Landscaping	Upgrade	180,000	(180,000)	-	-	-	-
Annual Renewal Program - Street Trees	Renewal	320,000	(320,000)	-	-	-	-
South Hedland Cemetery Masterplan including Toilets	Upgrade	150,000	(150,000)	-	-	-	-
Wayfinding Signage	New	215,000	(215,000)	-	-	-	-
PHSCH - Masterplan Design	New	150,000	(150,000)	-	-	-	-
Remote Community Road Grant- Yandeyarra Road	Upgrade	150,000	-	-	(150,000)	-	-
Annual Renewal Program - BBQs	Renewal	146,000	(146,000)	-	-	-	-
Park Lighting Upgrade Program	Upgrade	140,900	(140,900)	-	-	-	-
Hamilton Rd Stormwater Pond Access Upgrade	Upgrade	135,000	(135,000)	-	-	-	-
South Hedland Place Plan Implementation - Capital Part	Upgrade	135,000	(135,000)	-	-	-	-
Port Hedland LIA Flood Management Project	Upgrade	131,160	(131,160)	-	-	-	-
Wanangkura Stadium - Compressor Change Out	Upgrade	128,900	(128,900)	-	-	-	-
Wanangkura Stadium Security Doors & Locks	Upgrade	126,500	(126,500)	-	-	-	-
Blackspot Program 22/23	Upgrade	124,000	(41,334)	-	(82,666)	-	-
Annual Renewal Program - Street Furniture	Renewal	135,703	(135,703)	-	-	-	-
Rose Nowers Maintenance & Repairs	Upgrade	110,000	(110,000)	-	-	-	-
Bowling Club Restoration	New	100,000	(100,000)	-	-	-	-
Yacht Club Restoration	New	750,000	(750,000)	-	-	-	-
JD Hardie Stage 4 - Childcare Centre	Upgrade	50,000	(50,000)	-	-	-	-
ToPH Facilities - Access Control (Civic Centre & Col Matheson)	Renewal	100,000	(100,000)	-	-	-	-
SH Lotteries House Refurbishment	New	100,000	(100,000)	-	-	-	-
Shade Structure Renewal Program	Renewal	500,000	(500,000)	-	-	-	-
Mini Loader	New	100,000	(100,000)	-	-	-	-
South Hedland Christmas Decorations Replacement	Renewal	100,000	(100,000)	-	-	-	-
Annual Renewal Program - Drinking Fountains	Renewal	95,000	(95,000)	-	-	-	-
South Hedland CBD Road Safety Upgrades - Year 1 of 3	Upgrade	84,000	(84,000)	-	-	-	-
Preliminary works, Road Safety Audit and Compliance	Upgrade	75,000	(75,000)	-	-	-	-

TOWN OF PORT HEDLAND

BUDGET 2022/23

NOTE 16 - CAPITAL WORKS PROGRAM 2022/23

Priority Projects			Funding				
Capital Projects	Asset Classification	Total Budget 2022/23	Reserve Funded	Borrowings	Grants, Subsidies & Contributions	Sale of Assets	Municipal Funded
Replacement Umbrella Shade systems at Gratwick Aquatic & Heavy Duty Hydraulic Mulcher	Upgrade	75,000	(75,000)	-	-	-	-
Wanangkura Stadium - Chiller Rectification Works	New	70,000	(70,000)	-	-	-	-
Courtesy Speed Signs	Upgrade	65,000	(65,000)	-	-	-	-
Annual Renewal Program - Access Inclusion	New	60,000	(60,000)	-	-	-	-
Annual Renewal Program - Air Conditioning Replacement	New	50,000	(50,000)	-	-	-	-
Wedgfield Route 2	Renewal	50,000	(50,000)	-	-	-	-
Replacement of Lane ropes & reels at Gratwick Aquatic & Scoreboard Renewal	Upgrade	45,000	(45,000)	-	-	-	-
Port Hedland Boat Ramp Sandblast and Repaint	Renewal	110,000	(110,000)	-	-	-	-
Repair to South Hedland Aquatic Centre Pool Heating	Upgrade	67,354	(67,354)	-	-	-	-
Public Open Space Development - Osprey West	Upgrade	29,000	(29,000)	-	-	-	-
Public Open Space Redevelopment - Murdoch Drive	New	25,000	(25,000)	-	-	-	-
Matt Dann Theatre Lighting Fixtures Upgrade	Upgrade	25,000	(25,000)	-	-	-	-
South Library After Hours Returns Chute	New	18,100	(18,100)	-	-	-	-
South Hedland Library Shelving	New	17,000	(17,000)	-	-	-	-
Jimblebar Storage Extention	New	15,000	(15,000)	-	-	-	-
Repairs to South Hedland Aquatic Centre "Aqua Tower" Water	Upgrade	15,000	(15,000)	-	-	-	-
Catamore Court Water Supply Rectification	Upgrade	12,500	(12,500)	-	-	-	-
Annual Renewal Program - Smoke Detectors	Upgrade	8,500	(8,500)	-	-	-	-
Automatic Guidepost Driver (Petrol)	Renewal	6,000	(6,000)	-	-	-	-
	New	2,750	(2,750)	-	-	-	-
Priority Projects		\$ 43,508,756					
Capital Project Summary - Budget 22/23		Amount (\$)					
	New	33,820,150					
	Upgrade	35,744,069					
	Renewal	12,102,803					
	Total (\$)	81,667,022					

TOWN OF PORT HEDLAND
NOTE 17 PLANT REPLACEMENT PROGRAM 2022/23

Heavy Plant	Department	Replacement Category	Replacement Policy	Plant Number	REGO	Year	Category	Make	Model	Body
Light vehicle	Corporate & Performance	A2	80,000kms/3 yrs	LV19-112	PH26746	2019	TOYOTA	TOYOTA	PRADO	WAGON
Light vehicle	Regulatory Services	A2	80,000kms/3 yrs	LV19-113	PH26748	2019	TOYOTA	TOYOTA	PRADO	WAGON
Light Vehicle	Regulatory Services	A7	100,000km/3yrs	LV19-115	PH26856	2019	ISUZU	ISUZU	D-MAX	EXTRA CAB WITH STEEL TRAY
Light vehicle	Infrastructure	A4	100,000km/3yrs	LV19-121	PH26684	2019	ISUZU	ISUZU	D-MAX	DUAL CAB WITH STEEL TRAY
Light vehicle	Infrastructure	A7	100,000km/3yrs	LV19-125	PH26858	2019	ISUZU	ISUZU	D-MAX	DUAL CAB WITH STEEL TRAY
Light vehicle	Community Services	A7	100,000km/3yrs	VEL152	PH14329	2014	TOYOTA	TOYOTA	COROLLA	HATCHBACK
Light vehicle	Community Services	A7	100,000km/3yrs	VEL153	PH25944	2017	TOYOTA	TOYOTA	LANDCRUISER	SINGLE CAB WITH STEEL TRAY
Light vehicle	Infrastructure	A2	80,000kms/3 yrs	LV20-128	PH27134	2020	TOYOTA	TOYOTA	KLUGER	WAGON
Trailer	Engineering	G	10 yrs	VEH090	1TLQ840	2010	JOHN PAPAS	JOHN PAPAS	Trailer	Box Trailer
Trailer	Engineering	G	10 yrs	VEH113	1TLJ060	2010	CMADE	CMADE		Small Plant Trailer
Trailer	Engineering	G	10 yrs	VEH114	1TMN641	2011	CMADE	CMADE		Cementery Trailer
Loader	Waste	B	8,000hrs/8yrs	VEH126	1EJU904	2013	Caterpillar	Caterpillar	950HQSW SZ	SZ Wheel Loader
Compactor	Waste - Landfill	B	8,000hrs/8yrs	VEH128		2014	CAT	CAT	836K	Compactor
Mower	Parks & Reserves	H	1000hrs/3yrs	VEH141		2014	TORO	TORO	5610	Reel Master Ride on Mower
Footpath sweeper	Engineering	H	1000hrs/3yrs	VEH162	1GNQ673	2018	MacD. Johnson	MacD. Johnson	CN201	Footpath Sweeper

Legend for heavy plant replacement categories

Plant Category	Replacement Strategy	Type & Description
Category A1	80,000kms/3 yrs	4WD Executive Vehicle - Allocated to CEO
Category A2	80,000kms/3 yrs	4WD Wagon Vehicle - Allocated to Directors
Category A3	100,000kms/3 yrs	4WD Vehicle Allocated to Managers who require a 4WD to undertake duties.
Category A4	100,000kms/3 yrs	4 Cylinder Sedan / Hatch back - Allocated to staff other than those mentioned in category A3
Category A5	100,000kms/3 yrs	Utilities - According to Councils requirements for staff
Category A6	100,000kms/3 yrs	Grant Funded Vehicles - According to requirements within the conditions of the grant.
Category B	10,000 hrs/10 yrs	Heavy Plant including Loaders, Tractors, Water Trucks, Rollers
Category C	200,000kms/8 yrs	Heavy Trucks - Trucks with greater than 6 tonne carrying capacity
Category D	150,000kms/8 yrs	Medium Trucks - Trucks with greater than 4 tonne carrying capacity but less than 6 tonne carrying capacity
Category E	100,000kms/5 yrs	Light Trucks & Street Sweeper - Trucks with less than 4 tonne carrying capacity
Category F	Side loaders replaced every 4 years	Refuse Vehicle
	(Body & Cab Chassis) Rear & Front Loader cab, chassis every 4 yrs, body every 8 yrs	Side loaders, rear loaders and front-loading compactor truck
Category G	10 yrs	Medium Equipment - Trailers, Slasher, spray rig, fire fighting unit etc.
Category H	1,000 hrs/3 yrs	Minor Equipment - Including Generators, high pressure cleaners, ride on mowers plate compactors, brush cutters, edgers, chainsaws, small

TOWN OF PORT HEDLAND
NOTE 18 - SCHEDULE OF FEES & CHARGES FOR THE YEAR ENDED 30 JUNE 2023

To access, please visit:
www.porthedland.wa.gov.au/documents/3829/202223-schedule-of-fees-and-charges



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