

BUDGET 2017/2018



Shire of
YILGARN

"good country for hardy people"

Message from the Shire President



Cr Onida Truran

The 2017/18 Budget for the Shire of Yilgarn was adopted by Council on Thursday 17th August 2017.

I am pleased to report that Council has agreed to keep rates unchanged in 2017/18 to what they were in 2016/17 (zero rate increase).

This has been made possible due to a number of efficiency measures implemented during the year and I congratulate the CEO and Executive Staff for their efforts in reviewing all aspects of the Shires operations and identifying areas where costs can be saved without impacting service levels.

Council has agreed to increase the cost of providing the kerbside collection service to residential / industrial properties by 1.7% (from \$334 to \$340) and has left the cost for commercial properties unchanged at \$364.

In addition to our normal service provision the Budget includes the following:

- Two additional Independent Living Units at the corner of Antares Street and Canopus Street. This is part of the CEACA initiative involving 11 local governments and due to grant funds received the two new units will cost the Shire \$20,000 each.
- Another \$350,000 has been set aside to go towards the redevelopment of the Southern Cross Swimming Pool. Council now has approx. \$1.3m in Reserve Funds for this project. Concept designs of the proposed redevelopment are on display in the Council Administration building and residents are encouraged to have a look and provide feedback.
- Council has again agreed to have free entry to the Southern Cross Swimming Pool for the 2017/18 pool season.
- \$62,000 for an Outdoor Fitness Centre at the Southern Cross Recreation Centre. This will be located next to the oval in the Ag Show undercover area. The Agriculture Show Committee has agreed for this open shed to be used for this purpose. The Shire has received a \$25,000 grant from Royalties for Regions to part fund this project.
- \$248,000 for the laying of Asphalt along Antares Street in the CBD, this project will substantially improve our main street. The project also includes the realignment and asphaltting of Great Eastern Highway.
- In addition to the above we will continue our road construction and maintenance program to ensure our roads remain the best in the Wheatbelt.
- Funds to open the Southern Cross Refuse site as a staffed site and close the transfer station. This will remove the current practice of double handling rubbish.

Cr Onida Truran
Shire President



SHIRE OF YILGARN

BUDGET

FOR THE YEAR ENDED 30 JUNE 2018

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SHIRE OF YILGARN
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Revenue				
Rates	8	3,686,020	3,707,947	3,680,379
Operating grants, subsidies and contributions	15	1,895,230	3,701,458	2,634,268
Fees and charges	14	761,291	786,854	807,580
Service charges	11	259,523	267,458	294,868
Interest earnings	2(a)	178,000	155,405	160,000
Other revenue	2(a)	160,800	261,321	294,995
		<u>6,940,864</u>	<u>8,880,443</u>	<u>7,872,090</u>
Expenses				
Employee costs		(2,522,247)	(2,484,620)	(2,809,933)
Materials and contracts		(1,789,009)	(1,533,623)	(2,063,385)
Utility charges		(414,250)	(321,776)	(359,017)
Depreciation on non-current assets	2(a)	(5,533,092)	(5,180,246)	(4,380,500)
Interest expenses	2(a)	0	0	0
Insurance expenses		(260,470)	(188,621)	(185,889)
Other expenditure		(238,315)	(121,892)	(235,673)
		<u>(10,757,383)</u>	<u>(9,830,778)</u>	<u>(10,034,397)</u>
		(3,816,519)	(950,335)	(2,162,307)
Non-operating grants, subsidies and contributions	15	1,890,070	2,018,086	2,581,089
Profit on asset disposals	6	0	0	41,651
Loss on asset disposals	6	(46,500)	(72,898)	(58,897)
Loss on revaluation of non current assets		0	0	0
Net result		<u>(1,972,949)</u>	<u>994,853</u>	<u>401,536</u>
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		<u>0</u>	<u>0</u>	<u>0</u>
Total comprehensive income		<u>(1,972,949)</u>	<u>994,853</u>	<u>401,536</u>

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

SHIRE OF YILGARN
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2018

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Revenue (refer notes 1,2,8,10 to 15)				
Governance		0	0	0
General purpose funding		5,012,495	7,022,610	5,945,513
Law, order, public safety		89,350	126,092	93,565
Health		11,000	949	1,000
Education and welfare		179,195	182,750	205,308
Housing		87,480	78,400	78,260
Community amenities		551,484	537,143	553,931
Recreation and culture		45,050	57,961	85,669
Transport		392,410	306,502	347,222
Economic services		496,838	480,468	446,492
Other property and services		95,300	158,100	115,130
		<u>6,960,602</u>	<u>8,950,975</u>	<u>7,872,090</u>
Expenses excluding finance costs (refer notes 1, 2 & 16)				
Governance		(416,874)	(340,084)	(429,161)
General purpose funding		(265,573)	(257,750)	(264,128)
Law, order, public safety		(460,108)	(380,480)	(380,926)
Health		(227,996)	(210,734)	(251,385)
Education and welfare		(514,140)	(493,182)	(512,350)
Housing		(290,590)	(193,473)	(220,640)
Community amenities		(2,490,843)	(2,379,682)	(2,254,434)
Recreation and culture		(1,628,654)	(1,469,633)	(1,670,041)
Transport		(3,506,430)	(3,240,442)	(3,046,483)
Economic services		(909,413)	(822,776)	(947,423)
Other property and services		(66,500)	(116,743)	(57,426)
		<u>(10,777,121)</u>	<u>(9,904,979)</u>	<u>(10,034,397)</u>
Finance costs (refer notes 2 & 7)				
Governance		0	0	0
General purpose funding		0	0	0
Law, order, public safety		0	0	0
Health		0	0	0
Education and welfare		0	0	0
Housing		0	0	0
Community amenities		0	0	0
Recreation and culture		0	0	0
Transport		0	0	0
Economic services		0	0	0
Other property and services		0	0	0
		<u>0</u>	<u>0</u>	<u>0</u>
		(3,816,519)	(954,004)	(2,162,307)
Non-operating grants, subsidies and contributions	15	1,890,070	2,018,086	2,581,089
Profit on disposal of assets	6	0	0	41,651
(Loss) on disposal of assets	6	(46,500)	(72,898)	(58,897)
Loss on revaluation of non current assets		0	0	0
		<u>1,843,570</u>	<u>1,945,188</u>	<u>2,563,843</u>
Net result		(1,972,949)	991,184	401,536

Other comprehensive income

Changes on revaluation of non-current assets

	<u>0</u>	<u>0</u>	<u>0</u>
Total other comprehensive income	0	0	0

Total comprehensive income

	<u><u>(1,972,949)</u></u>	<u><u>991,184</u></u>	<u><u>401,536</u></u>
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This statement is to be read in conjunction with the accompanying notes.

**SHIRE OF YILGARN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2018**

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		3,869,721	3,712,446	3,713,603
Operating grants, subsidies and contributions		1,895,230	3,709,302	2,042,271
Fees and charges		761,291	786,854	807,580
Service charges		259,523	267,458	294,868
Interest earnings		178,000	155,405	160,000
Goods and services tax		0	11,229	721,302
Other revenue		160,800	261,321	294,995
		<u>7,124,565</u>	<u>8,904,015</u>	<u>8,034,619</u>
Payments				
Employee costs		(2,538,963)	(2,392,703)	(2,831,496)
Materials and contracts		(1,644,611)	(1,810,612)	(1,624,584)
Utility charges		(414,250)	(321,776)	(359,020)
Interest expenses		0	0	0
Insurance expenses		(260,470)	(188,621)	(185,889)
Goods and services tax		0	19,787	(604,556)
Other expenditure		(238,315)	(121,892)	(235,673)
		<u>(5,096,609)</u>	<u>(4,815,817)</u>	<u>(5,841,218)</u>
Net cash provided by (used in) operating activities	3(b)	<u>2,027,956</u>	<u>4,088,198</u>	<u>2,193,401</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for development of land held for resale	5	0	0	0
Payments for purchase of property, plant & equipment	5	(1,483,365)	(1,637,621)	(2,302,189)
Payments for construction of infrastructure	5	(3,142,336)	(2,807,822)	(3,697,417)
Non-operating grants, subsidies and contributions used for the development of assets		1,890,070	2,018,086	2,581,089
Proceeds from sale of plant & equipment	6	248,500	212,137	255,000
Net cash provided by (used in) investing activities		<u>(2,487,131)</u>	<u>(2,215,220)</u>	<u>(3,163,517)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	7	0	0	0
Advances to community groups		0	0	0
Proceeds from self supporting loans		6,000	6,000	6,000
Proceeds from new borrowings	7	0	0	0
Net cash provided by (used in) financing activities		<u>6,000</u>	<u>6,000</u>	<u>6,000</u>
Net increase (decrease) in cash held		(453,175)	1,878,978	(964,116)
Cash at beginning of year		<u>6,449,367</u>	<u>4,570,389</u>	<u>4,559,682</u>
Cash and cash equivalents at the end of the year	3(a)	<u><u>5,996,192</u></u>	<u><u>6,449,367</u></u>	<u><u>3,595,566</u></u>

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

**SHIRE OF YILGARN
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018**

	NOTE	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Net current assets at start of financial year - surplus/(deficit)	4	<u>1,018,922</u>	<u>308,590</u>	<u>202,155</u>
		1,018,922	308,590	202,155
Revenue from operating activities (excluding rates)				
Governance		0	0	0
General purpose funding		1,326,475	3,314,663	2,265,134
Law, order, public safety		89,350	126,092	93,565
Health		11,000	949	1,000
Education and welfare		179,195	182,750	205,308
Housing		87,480	78,400	78,260
Community amenities		551,484	537,143	553,931
Recreation and culture		45,050	57,961	85,669
Transport		392,410	306,502	362,527
Economic services		496,838	480,468	446,492
Other property and services		95,300	155,093	141,476
		<u>3,274,582</u>	<u>5,240,021</u>	<u>4,233,362</u>
Expenditure from operating activities				
Governance		(416,874)	(340,084)	(429,161)
General purpose funding		(265,573)	(257,750)	(264,128)
Law, order, public safety		(460,108)	(380,480)	(380,926)
Health		(227,996)	(210,734)	(251,385)
Education and welfare		(514,140)	(493,182)	(512,350)
Housing		(290,590)	(193,473)	(220,640)
Community amenities		(2,490,843)	(2,379,682)	(2,254,434)
Recreation and culture		(1,639,654)	(1,469,633)	(1,670,041)
Transport		(3,537,430)	(3,300,662)	(3,105,380)
Economic services		(909,413)	(822,776)	(947,421)
Other property and services		(71,000)	(129,421)	(57,426)
		<u>(10,823,621)</u>	<u>(9,977,878)</u>	<u>(10,093,292)</u>
Operating activities excluded from budget				
(Profit) on asset disposals	6	0	0	(41,651)
Loss on disposal of assets	6	46,500	72,898	58,897
Depreciation on assets	2(a)	5,533,092	5,372,190	4,380,500
Movement in employee benefit provisions (non-current)		0	0	0
Amount attributable to operating activities		(950,525)	1,015,821	(1,260,029)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	15	1,890,070	2,018,086	2,581,089
Purchase land held for resale	5	0	0	0
Purchase property, plant and equipment	5	(1,483,365)	(1,637,621)	(2,302,189)
Purchase and construction of infrastructure	5	(3,142,336)	(2,807,822)	(3,697,417)
Proceeds from disposal of assets	6	248,500	212,137	255,000
Amount attributable to investing activities		(2,487,131)	(2,215,220)	(3,163,517)
FINANCING ACTIVITIES				
Repayment of borrowings	7	0	0	0
Proceeds from new borrowings	7	0	0	0
Proceeds from self supporting loans		6,000	6,000	6,000
Transfers to cash backed reserves (restricted assets)	9	(1,518,038)	(2,111,439)	(1,580,069)
Transfers from cash backed reserves (restricted assets)	9	1,263,674	615,813	2,317,236
Amount attributable to financing activities		(248,364)	(1,489,626)	743,167
Budgeted deficiency before general rates		(3,686,020)	(2,689,025)	(3,680,379)
Estimated amount to be raised from general rates	8	3,686,020	3,707,947	3,680,379
Net current assets at end of financial year - surplus/(deficit)		0	1,018,922	0

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

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

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

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

Critical accounting estimates

The preparation of a 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 local government reporting eEntity

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 17 to the budget.

(b) 2016/17 actual balances

Balances shown in this budget as 2016/17 Actual are as forecast at the time of budget preparation and are subject to final adjustments.

(c) Rounding off figures

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

(d) Comparative figures

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

(e) 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.

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Forecast fair value adjustments

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

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

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

(g) Rates, grants, donations and other contributions

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

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

(h) 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.

(i) Superannuation

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

All funds to which the Shire of Yilgarn contributes are defined contribution plans.

(j) Cash and cash equivalents

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

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

(k) Trade and other receivables

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

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

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

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Inventories

General

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

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

Land held for resale

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

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

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

(m) Fixed assets

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

Mandatory requirement to revalue non-current assets

Effective from 1 July 2012, the *Local Government (Financial Management) Regulations* were amended and the measurement of non-current assets at Fair Value became mandatory.

During the year ended 30 June 2013, the Shire of Yilgarn commenced the process of adopting fair value in accordance with the Regulations.

Whilst the amendments initially allowed for a phasing in of fair value in relation to fixed assets over three years, as at 30 June 2015 all non-current assets were carried at fair value in accordance with the requirements.

Thereafter, each asset class must be revalued in accordance with the regulatory framework established and the Shire of Yilgarn revalues its asset classes in accordance with this mandatory timetable.

Relevant disclosures, in accordance with the requirements of Australian Accounting Standards, have been made in the financial report as necessary.

Initial recognition and measurement between mandatory revaluation dates

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

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

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

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Fixed assets (continued)

Revaluation

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

Land under roads

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

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

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

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

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

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Fixed assets (continued)

Depreciation

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

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

Buildings	30 to 50 years
Plant and Equipment	5 to 10 years
Sealed roads and streets	
clearing and earthworks	not depreciated
construction/road base	50 years
original surfacing and	
major re-surfacing	
- bituminous seals	30 years
- asphalt surfaces	25 years
Gravel roads	
clearing and earthworks	not depreciated
construction/road base	50 years
gravel sheet	15 years
Formed roads (unsealed)	
clearing and earthworks	not depreciated
construction/road base	50 years
Footpaths - slab	12 years
Sewerage piping	50 years
Water supply piping & drainage systems	50 years
Airfields and Runways	30 years
Refuse Disposal Sites	not depreciated

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

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

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

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Fair value of assets and liabilities

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

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

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

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

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

Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

The Shire of Yilgarn selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Shire of Yilgarn are consistent with one or more of the following valuation approaches:

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Fair value of assets and liabilities (continued)

Market approach

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

Income approach

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

Cost approach

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

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

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

(o) Financial instruments

Initial recognition and measurement

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

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

Classification and subsequent measurement

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

Amortised cost is calculated as:

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

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial instruments (continued)

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

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

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

(ii) Loans and receivables

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

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

(iii) Held-to-maturity investments

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

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

(iv) Available-for-sale financial assets

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

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

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

(v) Financial liabilities

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

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Financial instruments (continued)

Impairment

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

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

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

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

Derecognition

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

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

(p) Impairment of assets

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

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

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

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Impairment of assets (continued)

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

At the time of adopting this budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2018.

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

(q) Trade and other payables

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

(r) Employee benefits

Short-term employee benefits

Provision is made for the Shire of Yilgarn'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 Shire of Yilgarn'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 Shire of Yilgarn's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

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

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

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) 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.

(t) Provisions

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

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

(u) Leases

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

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

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

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

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

(v) Investment in associates

An associate is an entity over which the Shire of Yilgarn 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 Shire of Yilgarn's share of net assets of the associate. In addition, the Shire of Yilgarn's share of the profit or loss of the associate is included in the

The carrying amount of the investment includes, where applicable, goodwill relating to the associate. Any discount on acquisition, whereby the Shire of Yilgarn'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.

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Investment in associates (continued)

Profits and losses resulting from transactions between the Shire of Yilgarn and the associate are eliminated to the extent of the Shire of Yilgarn's interest in the associate.

When the Shire of Yilgarn's share of losses in an associate equals or exceeds its interest in the associate, the Shire of Yilgarn discontinues recognising its share of further losses unless it has incurred legal or constructive obligations or made payments on behalf of the associate. When the associate subsequently makes profits, the Shire of Yilgarn will resume recognising its share of these profits once its share of the profits equals the share of the losses not recognised.

(x) Interests in joint arrangements

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

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

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The Shire of Yilgarn's interests, in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 20.

(y) Current and non-current classification

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

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

REVENUES AND EXPENSES	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Net result			
The net result includes:			
Charging as an expense:			
Auditors remuneration			
Audit services	32,300	22,905	29,800
Other services	5,000	11,418	5,000
Depreciation by program			
Governance	56,300	56,265	52,100
General purpose funding	0	0	0
Law, order, public safety	240,000	239,654	171,000
Health	32,350	32,321	31,600
Education and welfare	155,050	154,911	132,200
Housing	118,200	118,017	112,000
Community amenities	1,721,100	1,720,840	1,402,000
Recreation and culture	566,050	565,976	565,700
Transport	1,841,600	1,841,508	1,322,600
Economic services	95,000	94,894	72,500
Other property and services	707,442	547,804	518,800
	<u>5,533,092</u>	<u>5,372,190</u>	<u>4,380,500</u>
Depreciation by asset class			
Land and Buildings	1,131,716	1,098,806	935,285
Furniture and Equipment	7,533	7,314	2,776
Plant and Equipment	694,372	674,180	722,454
Roads	1,817,356	1,764,507	1,163,710
Footpaths	49,827	48,378	41,873
Drainage	1,610,719	1,563,879	1,321,762
Parks & Ovals	10,266	9,967	3,776
Refuse Site	17,742	17,226	14,935
Sewerage	115,788	112,421	97,819
Townscape	5,355	5,199	5,650
Other	72,418	70,313	70,459
	<u>5,533,092</u>	<u>5,372,190</u>	<u>4,380,500</u>
Interest expenses (finance costs)			
- Borrowings (refer note 7(a))	0	0	0
Other	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
Crediting as revenues:			
Interest earnings			
Investments			
- Reserve funds	108,000	105,846	80,000
- Other funds	25,000	27,843	20,000
Other interest revenue (refer note 12)	45,000	21,716	60,000
	<u>178,000</u>	<u>155,405</u>	<u>160,000</u>
Other revenue			
Reimbursements and recoveries	58,000	66,386	109,360
Other	102,800	194,935	185,635
	<u>160,800</u>	<u>261,321</u>	<u>294,995</u>

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

REVENUES AND EXPENSES (Continued)

(b) Statement of objective

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

COMMUNITY VISION

A strong, vibrant and progressive Shire that retains strength in its communities by way of continual promotion of agriculture and mining as the Shires major industries, with an added focus on tourism, to ensure that a robust economic and social base is retained for all residents.

GOVERNANCE

Objective:

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

Activities:

Includes the activities of members of council and the administrative support available to the council for the provision of governance of the district. Other costs relate to the task of assisting elected members and ratepayers on matters which do not concern specific council services.

GENERAL PURPOSE FUNDING

Objective:

To collect revenue to allow for the provision of services.

Activities:

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Objective:

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

Activities:

Supervision and enforcement of various local laws relating to fire prevention and animal control.

HEALTH

Objective:

To provide an operational framework for environmental and community health.

Activities:

Inspection of food outlets and their control, provision of meat inspection services, noise control and waste disposal compliance.

EDUCATION AND WELFARE

Objective:

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

Activities:

Maintenance of child minding centre, playgroup centre, senior citizen centre and aged care centre. Provision and maintenance of home and community care programs and youth services.

HOUSING

Objective:

To provide and maintain elderly residents housing.

Activities:

Provision and maintenance of elderly residents housing.

**SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

REVENUES AND EXPENSES (Continued)

(b) Statement of objective (Continued)

COMMUNITY AMENITIES

Objective:

To provide services required by the community.

Activities:

Rubbish collection services, operation of rubbish disposal sites, litter control, construction and maintenance of urban storm water drains, protection of the environment and administration of town planning schemes, cemetery and public conveniences.

RECREATION AND CULTURE

Objective:

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

Activities:

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

TRANSPORT

Objective:

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

Activities:

Construction and maintenance of roads, streets, footpaths, depots, cycleways, parking facilities and traffic control. Cleaning of streets and maintenance of street trees, street lighting etc.

ECONOMIC SERVICES

Objective:

To help promote the shire and its economic wellbeing.

Activities:

Tourism and area promotion including the maintenance and operation of a caravan park. Provision of rural services including weed control, vermin control, standpipes and building control.

OTHER PROPERTY & SERVICES

Objective:

To monitor and control council's overheads operating accounts.

Activities:

Private works operation, plant repair and operation costs and engineering operation costs.

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

NOTES TO THE STATEMENT OF CASH FLOWS

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:

	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Cash - unrestricted	110,931	818,470	209,901
Cash - restricted	5,885,261	5,630,897	3,398,105
	<u>5,996,192</u>	<u>6,449,367</u>	<u>3,608,006</u>

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

Airport Reserve	233,559	130,429	130,353
Building Reserve	778,032	564,485	311,049
Community Bus Reserve	122,133	119,271	119,202
Homes for the Aged Reserve	381,581	372,638	330,523
Land Development Reserve	0	60,208	60,173
Long Service Leave Reserve	230,047	224,656	224,526
Mt Hampton/Dulyalbin Water Supply Reserve	30,477	29,763	29,746
Plant Replacement Reserve	730,956	420,856	370,613
Recreation Facility Reserve	1,823,627	986,714	365,710
Refuse Disposal Site Reserve	444,865	434,439	404,188
Sewerage Reserve	527,861	515,490	523,976
Health Services Reserve	208,675	203,785	203,668
Unspent Grants Reserve	0	1,128,580	19,740
HVRIC Reserve	74,263	72,523	42,523
Youth Development Reserve	105,746	103,268	78,208
ICT and Furniture & Equipment Reserve	0	74,886	43,137
Tourism Reserve	193,440	188,907	124,563
	<u>5,885,262</u>	<u>5,630,898</u>	<u>3,381,901</u>

Reconciliation of net cash provided by operating activities to net result

Net result	(1,972,949)	991,184	401,536
Depreciation	5,533,092	5,180,246	4,380,500
(Profit)/loss on sale of asset	46,500	72,898	17,246
Loss on revaluation of non current assets	0	0	0
(Increase)/decrease in receivables	183,701	43,359	162,529
(Increase)/decrease in inventories	42,925	(41,001)	3,500
Increase/(decrease) in payables	84,757	(269,153)	(186,383)
Increase/(decrease) in employee provisions	0	0	8,000
Grants/contributions for the development of assets	(1,890,070)	(2,018,086)	(2,581,089)
Net cash from operating activities	<u>2,027,956</u>	<u>3,959,447</u>	<u>2,205,839</u>

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

NOTES TO THE STATEMENT OF CASH FLOWS (Continued)

	2017/18 Budget \$	2016/17 Actual \$	2016/17 Budget \$
Undrawn borrowing facilities			
credit standby arrangements			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	10,000	10,000	10,000
Credit card balance at balance date	0	(1,604)	0
Total amount of credit unused	<u>10,000</u>	<u>8,396</u>	<u>10,000</u>
Loan facilities			
Loan facilities in use at balance date	<u>0</u>	<u>0</u>	<u>0</u>
Unused loan facilities at balance date	<u>0</u>	<u>0</u>	<u>0</u>
	Note	2017/18 Budget \$	2016/17 Actual \$
NET CURRENT ASSETS			
Composition of estimated net current assets			
Current assets			
Cash - unrestricted	3(a)	110,931	818,470
Cash - restricted reserves	3(a)	5,885,261	5,630,897
Receivables		338,232	585,338
Inventories		42,925	85,850
		<u>6,377,349</u>	<u>7,120,555</u>
Less: current liabilities			
Trade and other payables		(367,992)	(283,235)
Short term borrowings		0	0
Long term borrowings		0	0
Provisions		(400,608)	(400,608)
		<u>(768,600)</u>	<u>(683,843)</u>
Unadjusted net current assets		5,608,749	6,436,712
Differences between the net current assets at the end of each financial year in the rate setting statement and net current assets detailed above arise from amounts which have been excluded when calculating the budget deficiency in accordance with <i>Local Government (Financial Management) Regulation 32</i> as movements for these items have been funded within the budget estimates. These differences are disclosed as adjustments below.			
Adjustments			
Less: Cash - restricted reserves	3(a)	(5,885,262)	(5,630,897)
Less: Land held for resale		0	0
Less: Current loans - clubs / institutions		(6,000)	(6,000)
Add: Current portion of borrowings		0	0
Add: Current liabilities not expected to be cleared at end of year		219,107	219,107
Adjusted net current assets - surplus/(deficit)		<u>(63,406)</u>	<u>1,018,922</u>

**SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

5. ACQUISITION OF ASSETS

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

Asset class	Reporting program										2017/18 Budget total \$	2016/17 Actual total \$	
	Governance \$	General purpose funding \$	Law, order, public safety \$	Health \$	Education and welfare \$	Housing \$	Community amenities \$	Recreation and culture \$	Transport \$	Economic services \$			Other property and services \$
<i>Property, Plant and Equipment</i>													
Land and buildings					108,760	141,940		91,250		137,015	76,900	555,865	731,457
Furniture and equipment											27,000	27,000	56,922
Plant and equipment							33,000	32,000	791,000		44,500	900,500	849,242
	0	0	0	0	108,760	141,940	33,000	123,250	791,000	137,015	148,400	1,483,365	1,637,621
<i>Infrastructure</i>													
Road Infrastructure									2,796,128			2,796,128	2,596,357
Footpaths												0	0
Drainage							17,503					17,503	6,278
Parks and ovals								102,450				102,450	0
Other										10,000		10,000	47,710
Sewerage							130,000					130,000	134,777
Townscape												0	0
Refuse Site							86,255					86,255	22,700
	0	0	0	0	0	0	233,758	102,450	2,796,128	10,000	0	3,142,336	2,807,822
<i>Land Held for Resale</i>													
Land held for resale													
Total acquisitions	0	0	0	0	108,760	141,940	266,758	225,700	3,587,128	147,015	148,400	4,625,701	4,445,443

**SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

6. DISPOSALS OF ASSETS

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

<u>By Program</u>	Net book	Sale	2017/18 Budget		2016/17 Actual		2016/17 Budget	
	value	proceeds	Profit	Loss	Profit	Loss	Profit	Loss
	\$	\$	\$	\$	\$	\$	\$	\$
Recreation and culture	16,000	5,000	0	(11,000)	0	0	0	0
Transport	251,000	220,000	0	(31,000)	0	(60,220)	15,305	(58,897)
Other property and services	28,000	23,500	0	(4,500)	0	(12,678)	26,346	0
	295,000	248,500	0	(46,500)	0	(72,898)	41,651	(58,897)

<u>By Class</u>	Net book	Sale	2017/18 Budget		2016/17 Actual		2016/17 Budget	
	value	proceeds	Profit	Loss	Profit	Loss	Profit	Loss
	\$	\$	\$	\$	\$	\$	\$	\$
Plant and equipment	295,000	248,500	0	(46,500)	0	(72,898)	41,651	(58,897)
	295,000	248,500	0	(46,500)	0	(72,898)	41,651	(58,897)

**SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

7. INFORMATION ON BORROWINGS

(a) Debenture Repayments

The Shire of Yilgarn has no loan borrowings in 2016/17 and 2017/18.

(b) New borrowings - 2017/18

The Shire of Yilgarn has not budgeted to raise any new budgeted funds during 2017/18.

(c) Unspent borrowings

The Shire of Yilgarn had no unspent borrowing funds as at 30th June 2017 nor is it expected to have unspent borrowing funds as at 30th June 2018.

(d) Overdraft

The Shire of Yilgarn does not currently have an overdraft facility.

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

8. RATING INFORMATION

RATE TYPE	Rate in \$	Number of properties	Rateable value \$	2017/18 Budgeted rate revenue \$	2017/18 Budgeted interim rates \$	2017/18 Budgeted back rates \$	2017/18 Budgeted total revenue \$	2016/17 Actual \$
Differential general rate or general rate								
GRV - Residential/Industrial	0.110121	389	2,976,174	327,739	0	0	327,739	328,620
GRV - Commercial	0.077518	32	995,384	77,160	0	0	77,160	77,160
GRV - Minesite	0.155036	4	120,160	18,629	0	0	18,629	18,629
GRV - Single Persons Quarters	0.155036	9	1,698,512	263,331	0	0	263,331	260,935
UV - Rural	0.017229	379	96,274,731	1,658,717	0	0	1,658,717	1,661,911
UV - Mining Tenement	0.170500	267	7,375,477	1,257,519	0	0	1,257,519	1,213,718
Sub-Totals		1,080	109,440,438	3,603,095	0	0	3,603,095	3,560,973
Minimum								
Minimum payment								
	\$							
GRV - Residential/Industrial	500	127	184,621	63,500	0	0	63,500	62,500
GRV - Commercial	400	7	19,934	2,800	0	0	2,800	2,800
GRV - Minesite	400	3	3,340	1,200	0	0	1,200	1,200
GRV - Single Persons Quarters	400	1	400	400	0	0	400	400
UV - Rural	400	38	341,046	15,200	0	0	15,200	14,000
UV - Mining Tenement	400	265	287,280	106,000	0	0	106,000	140,019
Sub-Totals		441	836,621	189,100	0	0	189,100	220,919
		1,521	110,277,059	3,792,195	0	0	3,792,195	3,781,892
Ex-Gratia Rates							33,825	33,825
Discounts/concessions (Refer note 13)							(140,000)	(107,770)
Total amount raised from general rates							3,686,020	3,707,947
Specified area rates (Refer note 10)							0	0
Total rates							3,686,020	3,707,947

**SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

8(a). RATING INFORMATION

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

The general rates detailed above for the 2017/18 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

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

Objectives and reasons for differential rating

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

Differential general rate

Description	Characteristics	Objects & Reasons
GRV - Residential - Industrial	Applies to all properties with a land use that does not fall within the categories of Commercial.	The object of the proposed rate in the dollar of \$0.110121 is to ensure the proportion of rates raised is consistent with prior years.
GRV - Commercial	Applies to properties with a Commercial land use.	The object of the proposed rate in the dollar of \$0.077518 is to ensure the proportion of rates raised is consistent with prior years and to keep rates to a minimum level to encourage local business to remain competitive and viable.
GRV - Minesites	Applies to properties with a Mining Land Use.	The object of the proposed rate in the dollar of \$0.155036 is to reflect the cost of servicing mining activity including road infrastructure and other amenities. It is noted that Council has substantially reduced the rate in the \$ for this category from \$0.4001 in 2014/15. The proposed rate represents a rate in the \$ equal to that imposed in the 2016/17 financial year, or a reduction of 60% of the rate in the \$ charged in 2014/15. Minesites GRV is rated higher than Commercial GRV and Residential/Industrial GRV because of the greater impact on road infrastructure by way of heavy haulage trucks as well as ancillary use of Shire services and facilities

**SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

8(a). RATING INFORMATION

Differential general rate (Continued)

Description	Characteristics	Objects & Reasons
GRV - Single Persons Quarters	Applies to properties with a transient workforce accommodation land use.	<p>The SPQ GRV rate is levied on properties with a transient workforce accommodation land use. The differential rate for SPQ GRV is intended to maintain the relativity comparative to residential rates and provides an average rate per accommodation unit of substantially less than Council's proposed minimum rate.</p> <p>The rates for this category supports Council's preferred option that the operational workforce associated with resource interests be housed in normal residential properties within the town boundaries.</p> <p>The proposed rate in the \$ of \$0.155036 represents a 0% rate increase on 2016/17, or a reduction of 50% of the rate in \$ charged in 2014/15.</p>
UV - Rural	Applies to all properties which do not fall into one of the other categories and is based on Unimproved Values (UV).	<p>The object of the proposed rate in the dollar of \$0.017227 is to ensure the proportion of rates raised is consistent with prior years.</p> <p>It is noted that Council has agreed to adopt a rate in the \$ that will generate the same rate revenue as in 2016/17 from this category. Therefore the rate in the \$ has varied slightly from those advertised due to the new valuations supplied by the Valuer General for use in 2017/18.</p>
UV - Mining	Applies to all properties with a prospecting exploration and UV mining land use.	<p>The object of the proposed rate in the \$ of \$0.170500 is to generate revenue to support the large investment that the Shire of Yilgarn makes in road and road drainage infrastructure to service remote mining activities on rural roads throughout the Shire and reflects the extra maintenance, impacts and frequency that is required to ensure a minimum level of serviceability above that normally required to meet the needs of farmers.</p>

**SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

8(a). RATING INFORMATION

Differential minimum payment

Description	Characteristics	Objects & Reasons
GRV - Residential - Industrial	Applies to all properties with a land use that does not fall within the categories of Commercial.	The Shire has imposed a higher minimum payment of \$500 on GRV Residential/Industrial to discourage holding undeveloped land within the town-sites, which reduces the amenity of the area, and thereby encourages development.
GRV - Commercial	Applies to properties with a Commercial land use.	The object of the proposed minimum rate of \$400 is to ensure the proportion of rates raised is consistent with prior years.
GRV - Minesites	Applies to properties with a Mining Land Use.	The object of the proposed minimum rate of \$400 is to ensure the proportion of rates raised is consistent with prior years.
GRV - Single Persons Quarters	Applies to properties with a transient workforce accommodation land use.	The object of the proposed minimum rate of \$400 is to ensure the proportion of rates raised is consistent with prior years.
UV - Rural	Applies to all properties which do not fall into one of the other categories and is	The object of the proposed minimum rate of \$400 is to ensure the proportion of rates raised is consistent with prior years.
UV - Mining	Applies to all properties with a prospecting exploration and UV mining land use.	The UV Mining category has a lesser minimum of \$400 for Leases to ensure the rate burden is more equitably distributed among all tenement owners by providing relief to small prospectors.

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

9. CASH BACKED RESERVES

	2017/18 Budget Opening balance \$	2017/18 Budget Transfer to \$	2017/18 Budget Transfer (from) \$	2017/18 Budget Closing balance \$	2016/17 Actual Opening balance \$	2016/17 Actual Transfer to \$	2016/17 Actual Transfer (from) \$	2016/17 Actual Closing balance \$	2016/17 Budget Opening balance \$	2016/17 Budget Transfer to \$	2016/17 Budget Transfer (from) \$	2016/17 Budget Closing balance \$
Airport Reserve	130,429	103,130	0	233,559	127,207	3,222	0	130,429	127,207	3,146	0	130,353
Building Reserve	564,485	213,547	0	778,032	550,542	113,943	(100,000)	564,485	550,542	152,996	(392,489)	311,049
Community Bus Reserve	119,271	2,862	0	122,133	116,325	2,946	0	119,271	116,325	2,877	0	119,202
Homes for the Aged Reserve	372,638	8,943	0	381,581	363,434	9,204	0	372,638	363,434	8,989	(41,900)	330,523
Land Development Reserve	60,208	0	(60,208)	0	58,721	1,487	0	60,208	58,721	1,452	0	60,173
Long Service Leave Reserve	224,656	5,391	0	230,047	219,107	5,549	0	224,656	219,107	5,419	0	224,526
Mt Hampton/Dulyalbin Water Supply Reserve	29,763	714	0	30,477	29,028	735	0	29,763	29,028	718	0	29,746
Museum Reserve	0	0	0	0	15,813	0	(15,813)	0	15,813	391	0	16,204
Plant Replacement Reserve	420,856	310,100	0	730,956	410,461	10,395	0	420,856	410,461	929,452	(969,300)	370,613
Recreation Facility Reserve	986,714	836,913	0	1,823,627	669,159	817,555	(500,000)	986,714	669,159	16,551	(320,000)	365,710
Refuse Disposal Site Reserve	434,439	10,426	0	444,865	423,708	10,731	0	434,439	423,708	10,480	(30,000)	404,188
Sewerage Reserve	515,490	12,371	0	527,861	502,758	12,732	0	515,490	502,758	226,718	(205,500)	523,976
Health Services Reserve	203,785	4,890	0	208,675	198,752	5,033	0	203,785	198,752	4,916	0	203,668
Unspent Grants Reserve	1,128,580	0	(1,128,580)	0	19,740	1,108,840	0	1,128,580	19,740	0	0	19,740
HVRIC Reserve	72,523	1,740	0	74,263	72,523	0	0	72,523	72,523	42,188	(72,188)	42,523
Youth Development Reserve	103,268	2,478	0	105,746	100,717	2,551	0	103,268	100,717	2,491	(25,000)	78,208
ICT and Furniture & Equipment Reserve	74,886	0	(74,886)	0	73,036	1,850	0	74,886	73,036	100,960	(130,859)	43,137
Tourism Reserve	188,907	4,533	0	193,440	184,241	4,666	0	188,907	184,241	70,322	(130,000)	124,563
	5,630,898	1,518,038	(1,263,674)	5,885,262	4,135,272	2,111,439	(615,813)	5,630,898	4,135,272	1,580,069	(2,317,236)	3,398,105

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

9. CASH BACKED RESERVES (Continued)

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

Reserve name	Anticipated date of use	Purpose of the reserve
Airport Reserve	Ongoing	- To be used for the upkeep and any major upgrade works To the Southern Cross Airport.
Building Reserve	Ongoing	- To be used for major construction and improvements to Council's Buildings.
Community Bus Reserve	Ongoing	- To provide a conduit Reserve for the proceeds from the hire of the Yilgarn Community Bus.
Homes for the Aged Reserve	Ongoing	- To be used as a conduit for the placement of rental income from all twelve units, providing funding for future redevelopment works at this facility.
Land Development Reserve	June 2018	- To be used for the acquisition of land in the Southern Cross townsite for future expansion of the town.
Long Service Leave Reserve	Ongoing	- To be used to fund Long Service Leave requirements.Council approves the fixing of this Reserve to the level of Long Service Leave Reserve to the level of liability, recognised as at the 30th June each year, totalling the combined balance of the Current and Non-Current Long Service Leave Liability.
Mt Hampton/Dulyalbin Water Supply Reserve	Ongoing	To be used To fund future maintenance works at the Mt Hampton Dam and Dulyalbin Water Supply Tank via annual contributions from the sale of water from these facilities.
Plant Replacement Reserve	Ongoing	- To be used for the purchase of major plant.
Recreation Facility Reserve	Ongoing	- To be used To fund any major projects relating To Recreation within the community.
Refuse Disposal Site Reserve	Ongoing	- To be used To meet future costs of major works To be carried out at Refuse Disposal Sites within the Shire of Yilgarn. Funds held in this Reserve will provide a buffer in the event of an emergency, where a substantial, catastrophic or undesired Refuse Disposal incident was to occur and could not be accommodated within the confines of Council's facilities.
Sewerage Reserve	Ongoing	- To be used to fund any major maintenance or future construction works required for the Southern Cross Sewerage and Marvel Loch Effluent Waste Water Schemes
Health Services Reserve	Ongoing	- To be used to maintain the Health Service GP practice and associated assets.
Unspent Grants Reserve	Ongoing	- To provide adequate record keeping and disclosure of tied grants received, the source of funds and related expenditure.
HVRIC Reserve	Ongoing	- To provide adequate disclosure of funds received under the HVRIC and the relevant road funds are expended on.
Youth Development Reserve	Ongoing	- To be used for the development of Youth in theYilgarn District.
ICT and Furniture & Equipment Reserve	June 2018	- To be used for the future of the Council's computer systems and furniture and equipment.
Tourism Reserve	Ongoing	- To be used to fund tourism in the Yilgarn District.

It is intended to close the "Land Development" and the "ICT and Furniture & Equipment" Reserves due to there lack of relevance. The funds currently allocated to these reserves will be transferred to the " Recreation Facility" Reserve.

**SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

10. SPECIFIED AREA RATE

The Shire of Yilgarn does not intend to raise any Specified Area Rates during 2017/18.

11. SERVICE CHARGES

	Amount of charge \$	2017/18 Budgeted revenue \$	Budget Amount to be applied to costs \$	Budget Amount to be set aside to reserve \$	Reserve Amount to be applied to costs \$	2016/17 Actual revenue \$
Service charge						
<u>Sewerage Charges (Section 41 Health (Miscellaneous Provisions) Act 1911)</u>						
Southern Cross						
Residential / Industrial	0.0730	159,398	159,398	0	0	159,398
Commercial	0.0500	50,870	50,870	0	0	41,542
Residential / Industrial - Minimum	276.00	1,380	1,380	0	0	1,380
Commercial - Minimum	583.00	583	583	0	0	0
Marvel Loch						
Commercial / SPQ	0.1200	17,589	17,589	0	0	24,478
Residential	0.0640	16,803	16,803	0	0	27,760
Commercial / SPQ - Minimum	300.00	300	300	0	0	300
Residential - Minimum	300.00	12,600	12,600	0	0	12,600
		259,523	259,523	0	0	267,458

The health rate for the Southern Cross Sewerage Scheme is for those properties in the Southern Cross locality which are connected to the scheme.

The proceeds of the rate are applied to the maintenance of the Scheme with the balance of the expenditure (\$Nil for 2017/18) transferred to the Sewerage Scheme Reserve.

The Health rate for the Marvel Loch Sewerage Scheme is for those properties in the Marvel Loch locality which are connected to the scheme.

The proceeds of the rate are applied to the maintenance of the Scheme with the balance of the expenditure (\$Nil for 2017/18) transferred to the Sewerage Scheme Reserve.

**SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

12. INTEREST CHARGES AND INSTALMENTS - RATES AND SERVICE CHARGES

The following instalment options are available to ratepayers for the payment of 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	28 September 2017	0	0.00%	0.00%
Option two				
First Installment	28 September 2017	10	5.50%	11.00%
Second Installment	01 February 2018	10	5.50%	11.00%
Option three				
First Installment	28 September 2017	10	5.50%	11.00%
Second Installment	30 November 2017	10	5.50%	11.00%
Third Installment	01 February 2018	10	5.50%	11.00%
Fourth Installment	01 May 2018	10	5.50%	11.00%

	2017/18 Budget revenue \$	2016/17 Actual \$
Instalment plan admin charge revenue	4,500	4,600
Unpaid rates interest earned	45,000	21,716
	<u>49,500</u>	<u>26,316</u>

**SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

13. PAYMENT DISCOUNTS, WAIVERS AND CONCESSIONS

Rates discounts

Rate or fee to which discount is granted	Disc % or Amount (\$)	2017/18 Budget \$	2016/17 Actual \$	Circumstances in which discount is granted
All GRV & UV Rate Types (Excluding Sewerage, ESL and Household & Recycling waste collections charges).	5%	140,000	107,770	Payment of full rates amount owing including arrears, received on or before the 35th day from the day of issue date shown on the rates notice.
		<u>140,000</u>	<u>107,770</u>	

Waivers or concessions

Rate or fee and charge to which the waiver or concession is granted	Disc % or Amount (\$)	2017/18 Budget \$	2016/17 Actual \$	Circumstances in which the waiver or concession is granted	Objects of the waiver or concession	Reasons for the waiver or concession
Photocopy Charge	Waiver	50	50	Photocopy charges are waived for for certain community groups such as St John Ambulance, Volunteer Bush Fire Brigades of the Yilgarn and the Southern Cross Fire and Rescue Service.	Council considers its support of these groups necessary for the overall benefit of the community.	Assist and support community groups.
		<u>50</u>	<u>50</u>			

SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018

	2017/18 Budget \$	2016/17 Actual \$
14. FEES & CHARGES REVENUE		
Governance	0	0
General purpose funding	6,500	7,074
Law, order, public safety	5,000	7,959
Health	1,000	949
Education and welfare	63,920	66,235
Housing	87,480	76,256
Community amenities	536,484	532,593
Recreation and culture	11,050	11,609
Transport	5,180	5,380
Economic services	289,900	330,231
Other property and services	14,300	16,026
	<u>1,020,814</u>	<u>1,054,312</u>
15. GRANT REVENUE		
Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:		
By Program:		
Operating grants, subsidies and contributions		
Governance	0	0
General purpose funding	1,108,800	3,151,236
Law, order, public safety	58,350	60,773
Health	0	0
Education and welfare	112,575	30,744
Housing	0	0
Community amenities	2,000	1,527
Recreation and culture	32,000	32,000
Transport	365,230	281,740
Economic services	216,275	139,009
Other property and services	0	4,429
	<u>1,895,230</u>	<u>3,701,458</u>
Non-operating grants, subsidies and contributions		
Governance	0	0
General purpose funding	0	0
Law, order, public safety	0	57,360
Health	0	0
Education and welfare	0	0
Housing	0	0
Community amenities	0	0
Recreation and culture	42,890	13,128
Transport	1,827,440	1,947,598
Economic services	19,740	0
Other property and services	0	0
	<u>1,890,070</u>	<u>2,018,086</u>

**SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

	2017/18 Budget \$	2016/17 Actual \$
16. ELECTED MEMBERS REMUNERATION		
The following fees, expenses and allowances were paid to council members and/or the President.		
Meeting fees	26,500	20,350
President's allowance	8,000	8,000
Deputy President's allowance	2,000	2,000
Travelling expenses	5,000	2,337
Telecommunications allowance	6,500	725
	48,000	33,412

17. TRUST FUNDS

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

Detail	Balance 1-Jul-17 \$	Estimated amounts received \$	Estimated amounts paid (\$)	Estimated balance 30-Jun-18 \$
Police Licensing	5,756	652,333	(646,333)	11,756
Builders Levy (BCITF)	4,606	305	(836)	4,075
Trans WA Bookings	3,790	12,335	(13,045)	3,080
Council Nominations	0	0	0	0
Staff Personal Deductions	38,952	32,090	(21,972)	49,070
Housing Tenancy Bonds	20,740	4,340	(6,890)	18,190
Hall Hire Bonds & Deposits	3,108	2,030	(1,647)	3,491
Security Key System Bonds	1,530	0	(50)	1,480
Skeleton Weed	53,887	0	0	53,887
Community Groups	13,118	1,620	(443)	14,295
Third Party Contributions	6,117	1,408	(1,000)	6,525
Rates Overpaid	6,876	2,200	(4,426)	4,650
Residual Doctor's Vehicle	0	0	0	0
Retention Fund	0	0	0	0
Medical Services Provision	107,093	12,500	(12,500)	107,093
YBTC Sinking Fund	19,998	6,666	0	26,664
Dump Point	92	0	0	92
SXFC Sinking Fund	1,000	0	0	1,000
	286,663	727,827	(709,142)	305,348

**SHIRE OF YILGARN
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2018**

18. MAJOR LAND TRANSACTIONS

It is not anticipated any Major Land Transactions will occur in 2017/18.

19. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

It is not anticipated any trading undertakings or major trading undertakings will occur in 2017/18.

20. INTERESTS IN JOINT ARRANGEMENTS

It is not anticipated the Shire of Yilgarn will be party to any joint venture arrangements during 2017/18.



Schedule of Fees and Charges

Budget 2017 - 18

SHIRE OF YILGARN

2017 - 2018 FEES AND CHARGES

Function	Description	Fee	GST	Total
GENERAL PURPOSE FUNDING				
	Admin Fee - Caveat Lodgement	29.09	2.91	32.00
	Admin Fee - Rates Recovery from Rent	29.09	2.91	32.00
	Admin Fee - Refund of Excess Rates	15.91	1.59	17.50
	Application Fee - FOI (non-personal)	28.18	2.82	31.00
	Books - Postage Charge	14.09	1.41	15.50
	Bullfinch Book	33.64	3.36	37.00
	Copy of State Electoral Roll	19.09	1.91	21.00
	Dishonoured Cheque Fee	19.09	1.91	21.00
	Electronic Advice of Sale (Rate Enquiry only)	29.09	2.91	32.00
	Electronic Advice of Sale (Full Service)	83.64	8.36	92.00
	Koolyanobbing Book	33.64	3.36	37.00
	Rate Notice Copy	14.55	1.45	16.00
	Rate Enquiry	33.64	3.36	37.00
	Rates Database Extract	14.55	1.45	16.00
	Title Search	40.00	4.00	44.00
	Yilgarn History Book	38.18	3.82	42.00
	Vultee Vengeance Book - Soft Cover	28.18	2.82	31.00
	Yellowdine Book	29.09	2.91	32.00
	Surcharge for payment by Credit card			1.5%
LAW ORDER AND PUBLIC SAFETY				
<u>Dog & Cat Poundage</u>				
	First 24 hrs or part thereof			41.00
	Each subsequent 24 hours or part thereof			10.50
<u>Dog Registration</u>				
	Annual (Non sterilised)			50.00
	Tri-Annual			120.00
	Lifetime			250.00
	Annual (Sterilised)			20.00
	Tri-Annual			42.50
	Lifetime			100.00
	Drovers Dog (25% of fee charged)			
	Pensioners (50% of fee charged)			
	Animal Destruction	40.91	4.09	45.00
	Kennel Annual Fee			200.00
<u>Cat Registration</u>				
	Annual (Sterilised)			20.00
	Tri-Annual			42.50
	Lifetime			100.00
	Pensioners (50% of fee charged)			
	Animal Destruction	40.91	4.09	45.00
	Cat Breeding Fee per cat			100.00

SHIRE OF YILGARN

2017 - 2018 FEES AND CHARGES

Function	Description	Fee	GST	Total
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HEALTH

Shire of Yilgarn Health local laws 1997

Lodging house registration				180.00
Itinerant food vendors licence- Annual				180.00
Itinerant food vendors licence – Daily				10.00

Liquor and Gaming

Cert .of Local Authority - Section 39 - Liquor				60.00
Cert. of Planning Authority - Section 40 - Liquor				60.00
Cert. of Local Authority - Section 55 - Gaming				60.00

Offensive Trades

As set by the Offensive Trades (Fees) Regulations 1976

Health (Public Building) Regulations 1992

Low Risk Public Building Application				90.00
Medium Risk Public Building Application				180.00
High Risk Public Building Application				832.00

Food Act 2008

Notification of a Non-Exempt Food Business				60.00
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(Source: Health Department Schedule of Local Government Fees and Charges)

EDUCATION AND WELFARE

Southern Cross Community Resource Centre

Photocopying printing - black

A4 single sided	0.27	0.03	0.30
A4 double sided	0.36	0.04	0.40
A3 single sided	0.54	0.06	0.60
A3 double sided	0.72	0.18	0.80
A4 nonstandard paper	0.54	0.06	0.60
Over 150 copies A4 single sided	0.18	0.02	0.20
Over 150 copies A4 double sided	0.27	0.03	0.30
Over 150 copies A3 single sided	0.45	0.05	0.50
Over 150 copies A3 double sided	0.63	0.07	0.70

SHIRE OF YILGARN

2017 - 2018 FEES AND CHARGES

Function	Description	Fee	GST	Total
EDUCATION AND WELFARE (Continued)				
<i>Photocopying / printing - colour</i>				
	A4 single sided	0.91	0.09	1.00
	A4 double sided	1.36	0.14	1.50
	A3 single sided	1.81	0.19	2.00
	A3 double sided	2.54	0.26	2.80
	Over 150 copies A4 single sided	0.81	0.09	0.90
	Over 150 copies A4 double sided	1.27	0.13	1.40
	Over 150 copies A3 single sided	1.72	0.18	1.90
	Over 150 copies A3 double sided	2.45	0.25	2.70
 <i>Laminating</i>				
	A4	1.81	0.19	2.00
	A3	2.72	0.28	3.00
	*Photocopying / printing cost not included.			
 <i>Facsimile</i>				
	Facsimile first page	1.36	0.14	1.50
	Per page thereafter	0.91	0.09	1.00
 <i>Binding</i>				
	A4 booklet 1-150 pages	3.18	0.32	3.50
	A4 booklet over 150 pages	4.09	0.41	4.50
	*Photocopying / printing cost not included.			
 <i>Internet usage</i>				
	15 minutes (minimum charge)	1.81	0.19	2.00
	15 - 30 minutes	3.63	0.37	4.00
	30 minutes to 1 hour	5.45	0.55	6.00
 <i>Secretarial Services</i>				
	15 minutes	9.09	0.91	10.00
	15-30 minutes	1.81	0.19	20.00
	1 hour	36.37	3.63	40.00
	*Photocopying / printing, faxing, scan and emailing cost not included			
 <i>Video Conferencing</i>				
	Video Conference Link-up (per hour)	45.46	4.54	50.00
 <i>Conference Room Hire</i>				
	Per hour (1-3hrs)	18.18	1.82	20.00
	Per day	63.64	6.36	70.00
	Late cancellation fee	18.18	1.82	20.00
	Internet access (per hour)	5.45	0.55	6.00
	Internet access (per day)	27.27	2.73	30.00

SHIRE OF YILGARN

2017 - 2018 FEES AND CHARGES

Function	Description	Fee	GST	Total
EDUCATION AND WELFARE (Continued)				
<i>Scanning</i>				
	A4 & email/ save on own USB or CD per page	0.27	0.03	0.30
	A3 & email/ save on own USB or CD per page	0.55	0.05	0.60
	CD	1.36	0.14	1.50
	*Photocopying / printing cost not included.			
<i>Exam Supervision</i>				
	Per hour	27.27	2.73	30.00
<i>Disks Services</i>				
	CD & DVD (CD supplied not DVD)	2.73	0.27	3.00
	Disk cleaning - DVD, CD or Blue-Ray	2.73	0.27	3.00
	* No items under copyright will be copied.			
<i>Crosswords Advertising</i>				
<i>(Businesses outside Shire of Yilgarn)</i>				
	<i>Black /white</i>			
	Full page A4	31.81	3.19	35.00
	Full page A4 with typesetting	50.00	5.00	55.00
	Half page A5	18.18	1.82	20.00
	Half page A5 with typesetting	27.27	2.73	30.00
	¼ page	13.63	1.37	15.00
	¼ page with typesetting	22.72	2.28	25.00
	<i>Colour</i>			
	Full page A4	145.45	14.55	160.00
	Full page A4 with typesetting	163.63	16.37	180.00
	Half page A5	81.81	8.19	90.00
	Half page A5 with typesetting	90.91	9.09	100.00
	¼ page	45.45	4.55	50.00
	¼ page with typesetting	54.54	5.46	60.00
<i>(Not for-profit & local businesses)</i>				
	<i>Black /white</i>			
	Full page A4	27.27	2.73	30.00
	Full page A4 with typesetting	45.45	4.55	50.00
	Half page A5	13.63	1.37	15.00
	Half page A5 with typesetting	16.36	1.64	18.00
	¼ page	9.09	0.91	10.00
	¼ page with typesetting	13.63	1.37	15.00

SHIRE OF YILGARN

2017 - 2018 FEES AND CHARGES

Function	Description	Fee	GST	Total
EDUCATION AND WELFARE (Continued)				
	<i>Colour</i>			
	Full page A4	118.18	11.82	130.00
	Full page A4 with typesetting	145.45	14.55	160.00
	Half page A5	63.63	6.37	70.00
	Half page A5 with typesetting	81.81	8.19	90.00
	¼ page	31.81	3.19	35.00
	¼ page with typesetting	36.36	3.64	40.00
	<i>Crosswords Classified Lineage</i>			
	Real Estate, Garage Sales, Employment max 6 lines	7.27	0.73	8.00
	<i>Free Advertising</i>			
	Community Notices (Community Events, Group Notices etc., Health Services, Dog Baiting, Volunteers needed etc.) including Birthdays, Births, Deaths, Thanks, Congratulations, Gotchas, Raffle Results, Business Hours, Wanted adverts.			
	<i>Crosswords</i>			
	Per issue	0.90	0.10	1.00
	Annual mail subscription	22.72	2.28	82.50
	Online subscription			Free
	Community Phone Directory	4.55	0.45	5.00
	*1 st copy free per household and charges apply thereafter			
	<i>Library</i>			
	Membership permanent resident			Free
	Membership temporary residents			Free
	Bond for temporary residents			25.00
	Overdue notice (First Free)	5.00	0.50	6.00
HOUSING				
	<i>Rental Rates per Week</i>			
	Council Staff Housing			60.00
	Council Unit Housing			50.00
	Commercially Rented Properties (on application)			
	- 11 Andromeda Court			225.00
	- 6 Libra Place			300.00
	- 91A Antares Street			125.00
	- 103 Altair Street			200.00
	- 80 Spica Street			65.00
	- 35 Taurus Street (Dr's House)			Free
	Homes for the Aged - Units 1 to 4			55.00
	Homes for the Aged - Units 5 to 8			75.00
	Homes for the Aged - Units 9 to 12			120.00
	A bond equivalent to four times the weekly rent is payable on all Council houses and units			

SHIRE OF YILGARN

2017 - 2018 FEES AND CHARGES

Function	Description	Fee	GST	Total
HOUSING (Continued)				
<i>Professional Housing</i>				
	13 Libra Place			55.00
	Commercial Fee			
	13 Libra Place			110.00
COMMUNITY AMENITIES				
<i>Rubbish Collection - Sale of 240 litre Sulo Bin</i>				
	As determined separately by Council			
	Note: 240 ltr bins; First collection - GST free			
	240 ltr Rubbish Bins - sale of	118.18	11.82	130.00
<i>Refuse Disposal</i>				
	Controlled Liquid Waste (K210, K110) per litre	0.12	0.10	0.13
	Asbestos Containing Material- per cubic metre	59.09	5.91	65.00
	Commercial Waste-per cubic metre	31.82	3.18	35.00
	Commercial Green Waste-per cubic metre	9.09	0.91	10.00
	Tyres-Small-Passenger/Motorbike-per tyre	4.55	0.45	5.00
	Tyres-Medium-4WD,SUV	9.09	0.91	10.00
	Tyres-Large-Truck	18.18	1.82	20.00
	Tyres-Tractor	45.45	4.55	50.00
<i>Cubic metres will be measured onsite, it is in your interest to have waste compacted on arrival</i>				
<i>Southern Cross Cemetery</i>				
	Grant of Right of Burial (reserve plot)			250.00
	Interment of Adult	330.91	33.09	364.00
	First additional 30cm	38.19	3.81	42.00
	Second additional 30cm	47.27	4.73	52.00
	Third additional 30cm	56.82	5.68	62.50
	Interment of child under 7 yrs	189.09	18.91	208.00
	Interment of stillborn	147.49	14.51	162.00
	Interment of ashes	49.09	4.91	54.00
	Reopening of adult grave	334.54	34.46	379.00
	Reopening of child grave	245.45	24.55	270.00
	Reopening of stillborn grave	196.36	19.64	216.00
	Internment without due notice	59.09	5.91	65.00
	Internment outside usual hours	98.18	9.82	108.00
	Late arrivals	40.00	4.00	44.00
	Exhumations	343.63	34.37	378.00
	Permission to erect headstone	28.18	2.82	31.00
	Permission to erect monument	47.27	4.73	52.00
	Permission to erect nameplate	10.00	1.00	11.00
	Copy of Grant of Burial			10.00
	Undertakers Annual License			200.00
	Undertakers Single License			40.00
	Search request			30.00

SHIRE OF YILGARN

2017 - 2018 FEES AND CHARGES

Function	Description	Fee	GST	Total
COMMUNITY AMENITIES (Continued)				
	Copy of Local Law	18.18	1.82	20.00
	Single Niche placement	33.00 plus cost of materials and fitting		
	Double Niche placement			
	Second Niche inscription			
<u>Sewerage Applications</u>				
	Septic Tank Application Fee			118.00
	Issuing of a "Permit to Use an Apparatus" Cert			118.00
<i>(Source: Health Department Schedule of Local Government Fees and Charges)</i>				
<u>Planning Application Fees -local Government Fees Only -</u>				
	Minor application - where application needs to go to Council for decision regardless of where it needs to be advertised or not (less than \$50,000)			50.00
	Minor Town Planning Scheme Amendments, including rezoning or lots when not included as part of a LG amendment - use scale of fees or use average of \$2,000 plus cost for preparing amendment documentation (if applicable)			2,000.00
	Major Town Planning Scheme Amendments, including Lot Subdivision for 10 or more lots, when not included as part of a LG amendment - use scale of fees or use average of \$4,000 plus cost of preparing amendment documentation (if applicable)			4,000.00
<u>Planning Matters/Documents</u>				
Fees set by Planning and Development Regulations 2009				
RECREATION AND CULTURE				
<u>Annual Fees</u>				
	Southern Cross Football Club	3,272.73	327.27	3,600.00
	Yilgarn Basketball Association (outdoor courts)	600.00	60.00	660.00
	Yilgarn Basketball Association (indoor courts)	1,409.10	140.90	1,550.00
	Yilgarn Netball Association (outdoor courts)	600.00	60.00	660.00
	Yilgarn Netball Association (indoor courts)	1,409.10	140.90	1,550.00
	Southern Cross Golf Club	545.44	54.56	600.00
	Yilgarn Bowls & Tennis Clubrooms	1,409.10	140.90	1,550.00
	Southern Cross Playgroup	500.00	50.00	550.00
	Southern Cross Occasional Daycare	500.00	50.00	550.00

SHIRE OF YILGARN

2017 - 2018 FEES AND CHARGES

Function	Description	Fee	GST	Total
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RECREATION AND CULTURE (Continued)

Hire of Public Buildings & Grounds

Note: Council has agreed to authorise the CEO to waive hire charges for the following:

1. When **not for profit organisations, based in the Shire of Yilgarn**, hires a facility for fundraising for an altruistic purpose (example being the Big Morning Tea).

In these instances the hire fee is to be recorded as a Shire donation.

2. When the facility is being used for a **youth** event and the purpose is educational and beneficial to the youth who reside within the Shire (an example being the Young Entertainers). In these instances the hire fee is to be recorded and charged to account E10624 Youth Development Programs.

Community Centre

Foyer only per day	90.90	9.10	100.00
Foyer only half day	63.63	6.37	70.00
Kitchen only flat rate	63.63	6.37	70.00
Private function per day	209.09	20.91	230.00
Private function half a day	145.45	14.55	160.00
Commercial function per day	304.55	30.45	335.00
Commercial function half day	181.82	18.18	200.00
Bond (refundable)			300.00
Extra Cleaning Fee per hour (minimum 2 hours)	45.45	4.55	50.00
*Half Day = 4 hrs			

Senior Citizens Centre: Hire at CEO's discretion

Sports Complex

Lounge incl. bar and kitchen access

Private function per day	163.63	16.37	180.00
Private function half day	109.09	11.91	120.00
Private function per hour	36.36	3.64	40.00
Commercial function per day	209.09	20.91	230.00
Commercial function half a day	145.45	14.55	160.00
Commercial function per hour	45.45	4.55	50.00
Kitchen only	50.00	5.00	55.00
Lounge only	63.63	6.37	70.00
Bar and Lounge only	113.00	11.36	125.00
Indoor Courts per hour	27.27	2.73	30.00
Sport function per day	95.45	9.55	105.00
Ground Hire - Commercial i.e. Circus (The grassed area behind outdoor courts)	409.10	40.90	450.00
Bond complex (refundable)			300.00
Bond ground (refundable)			515.00

SHIRE OF YILGARN

2017 - 2018 FEES AND CHARGES

Function	Description	Fee	GST	Total
RECREATION AND CULTURE (Continued)				
<u>Hire of chairs & tables (From Recreation Complex only)</u>				
	Chairs - stack of 10	9.10	0.90	10.00
	Table each	4.54	0.46	5.00
	*Pick up & return hirers responsibility.			
<u>Community Car/Bus Hire Rates</u>				
<u>Community Bus</u>				
	Community Bus Hire (per km) (including fuel)			
	Not for Profit Organisation	0.60	0.06	0.66
	Commercial/For Profit Organisations	0.90	0.09	0.99
	Cleaning Charge (If Not Cleaned)	409.10	40.90	450.00
<u>Community Car Use</u>				
	Community Car Hire per km (excluding fuel)	0.18	0.02	0.20
	Cleaning Charge (If Not Cleaned)	109.10	10.90	120.00
	Subject to a Minimum Day hire rate	13.64	1.36	15.00
<u>Commercial use</u>				
	Community Car Hire per km (excluding fuel)	0.36	0.04	0.40
	Cleaning Charge (If Not Cleaned)	109.10	10.90	120.00
	Subject to a Minimum Day hire rate (note: Approval of use subject to CEO's discretion)	54.55	5.45	60.00
<u>Security Key System</u>				
	Bond required for individual keys (refundable)			50.00
<u>Swimming Pool Admission</u>				
	General Admission			Free
	Lane Hire per hour	8.00	0.80	8.80
	Private Hire per Hour	100.00	10.00	110.00
TRANSPORT				
<u>Aerodrome</u>				
	Aircraft Annual landing fees (local)	150.00	15.00	165.00
	Aircraft Annual landing fee (China Southern)	2,727.30	272.30	3000.00
	Aircraft landing (per tonne rounded up)	15.90	1.60	17.50
<u>Other</u>				
	Sale of Gravel & Sand per cubic metre	5.00	0.50	5.50

SHIRE OF YILGARN

2017 - 2018 FEES AND CHARGES

<u>Function</u>	<u>Description</u>	<u>Fee</u>	<u>GST</u>	<u>Total</u>
ECONOMIC SERVICES				
	As set by Building Regulations 2013			
<u>Building Services levy</u>				
	As set by Building Services (Complaint Resolution and Administration) Regulations 2011			
<u>Building and Construction Industry Training Fund</u>				
	As set by Building and Construction Industry Training Fund and Levy Collection Act 1990			
<u>land leases - Annual - Payable by 1 July -</u>				
	Reserve 23237 Caravan Park SX % of income			
	Horse Agistment Leases - Annual	150.00	15.00	165.00
<u>Water Charges (per kilolitre)</u>				
NB Domestic use free of charge				
	<u>Dulyalbin Tank</u>			
	Water used for domestic, stock & spraying			1.30
	<u>Mt Hampton Dam</u>			
	Water used for domestic, stock & spraying			0.67
	<u>Garrett Street</u>			2.60
	<u>All Other Standpipes</u>			2.50
OTHER PROPERTY AND SERVICES				
	Labour (Operator)	73.60	7.36	81.00
	Labour (Executive)	102.70	10.27	113.00
	Grader	163.64	16.36	180.00
	Construction Loader	171.82	17.18	189.00
	Town Loader	131.82	13.18	145.00
	Backhoe	93.64	9.36	103.00
	Skid Steer Loader	131.82	13.18	145.00
	Prime Mover and Side Tippers	190.91	19.09	210.00
	Prime Mover and Low Loader	136.36	13.64	150.00
	Truck <13 tonne	100.00	10.00	110.00
	Truck >13 tonne	122.72	12.28	135.00
	Tractor	98.18	9.82	108.00
	Roller Steel Drum	102.72	10.28	113.00
	Roller Multi Tyred	93.64	9.36	103.00
	Additional Loading for Overtime (Time and a Half)			17.50
	Additional Loading for Overtime (Double Time)			35.00
	Administration Charge			12%

SHIRE OF YILGARN

2017 - 2018 FEES AND CHARGES

Function	Description	Fee	GST	Total
CARAVAN PARK & TOURIST ACCOMODATION				
	Sandlewood Lodge - A Rooms (Per night)	90.90	9.10	100.00
	Sandlewood Lodge - B Rooms* (Per night)	86.36	8.64	95.00
	B Rooms Shared En-suite* (Per night)	72.72	7.28	80.00
	Powered Caravan Sites (Per night)	27.27	2.73	30.00
	Unpowered Caravan Sites (Per night)	23.63	2.37	26.00
	Lost Key Fee	22.73	2.27	25.00

* The B side of Sandalwood Lodge has rooms that share an en-suite. If you only need one side with the en-suite the price is \$95 but if you require both sides with the shared en-suite the price is \$160.