

ATTACHMENT 8.2.4B

REVISED STATUTORY BUDGET END JUNE 2018



REVISED BUDGET  
FOR YEAR END  
30 JUNE 2018

**BODDINGTON SHIRE COUNCIL  
AMENDED BUDGET 2017-18**

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**AMENDED BUDGET 2017-18**  
**Summary of Financial Activity**  
**For the Year Ended 30 June 2018**

	Note	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
Opening Funding Surplus (Deficit)		751,517	751,517	166,976
<b>Revenue</b>				
Rates		4,386,000	4,386,000	4,083,127
Operating Grants, Subsidies, Cont.		710,559	572,602	762,839
Fees and Charges		1,133,338	1,122,738	1,008,454
Service Charges		-	-	-
Interest Earnings		128,428	88,428	119,606
Profit on Sale of Assets		-	-	16,882
Other Revenue		186,739	186,739	136,114
		<u>6,545,065</u>	<u>6,356,508</u>	<u>6,127,023</u>
<b>Expenses</b>				
Employee Costs		(2,423,047)	(2,472,046)	(2,278,177)
Materials and Contracts		(1,795,666)	(1,705,433)	(1,338,614)
Utility Charges		(325,238)	(335,238)	(300,879)
Depreciation on Non-Current Assets		(1,889,629)	(1,655,576)	(1,565,058)
Interest Expenses		(109,035)	(109,035)	(118,596)
Insurance Expenses		(202,422)	(202,422)	(196,068)
Loss on Sale of Assets		0	0	(38,160)
Other Expenditure		(180,851)	(183,407)	(157,456)
		<u>(6,925,888)</u>	<u>(6,663,157)</u>	<u>(5,993,008)</u>
<b>Adjustment for Non Cash Items</b>				
(Profit)/Loss on Sale of Assets		0	0	21,278
Provisions and Accruals - Non Current		0	0	0
Depreciation of Assets		1,889,629	1,655,576	1,565,058
		<u>1,889,629</u>	<u>1,655,576</u>	<u>1,586,336</u>
<b>Result before Capital &amp; Financing</b>		<u>1,508,806</u>	<u>1,348,927</u>	<u>1,699,074</u>
<b>Capital Items</b>				
Non-operating revenue		2,841,389	2,477,670	3,269,917
Land & Buildings		(2,907,166)	(3,223,666)	(5,045,547)
Road Infrastructure		(961,500)	(961,500)	(630,923)
Bridges & Culverts		(282,000)	(42,500)	(31,853)
Footpaths		(41,856)	(41,856)	(27,339)
Streetscape/Water to Ranford		(111,635)	(111,635)	(1,021,255)
New Initiatives (Council)		(141,500)	(569,500)	0
Infrast. Other/Light Towers/Water to oval		(725,819)	(635,019)	(17,957)
Plant & Motor Vehicles		(678,819)	(170,000)	(645,940)
Furniture & Office Equipment		(50,000)	(35,000)	(148,255)
Waste Infrastructure		(30,000)	(30,000)	(14,319)
		<u>(3,088,906)</u>	<u>(3,343,006)</u>	<u>(4,313,471)</u>
<b>Financing Items</b>				
Proceeds from Asset Sales		0	300,000	446,028
Repayment of debentures		(220,541)	(220,541)	(301,130)
Proceeds from New Loans		0	0	0
Transfer to Reserves		(760,900)	(630,900)	(4,311,195)
Transfer from Reserves		2,135,027	2,169,052	7,343,954
		<u>1,153,586</u>	<u>1,617,611</u>	<u>3,177,657</u>
<b>Cash Surplus/(Deficit) Carried F'wd.</b>		<u>325,000</u>	<u>375,048</u>	<u>751,517</u>

## AMENDED BUDGET 2017-18

## Statement of Comprehensive Income by Nature or Type

For the Year Ended 30 June 2018

	Note	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
<b>Revenue</b>				
Rates	8	4,386,000	4,386,000	4,083,127
Operating Grants, Subsidies, Cont.	10	710,559	572,602	762,839
Fees and Charges	11	1,133,338	1,122,738	1,008,454
Service Charges		0	0	0
Interest Earnings	2(a)	128,428	88,428	119,606
Other Revenue		186,739	186,739	136,114
		<u>6,545,065</u>	<u>6,356,506</u>	<u>6,110,141</u>
<b>Expenses</b>				
Employee Costs		(2,423,047)	(2,472,046)	(2,278,177)
Materials and Contracts		(1,795,666)	(1,705,433)	(1,338,614)
Utility Charges		(325,238)	(335,238)	(300,879)
Depreciation on Non-Current Assets	2(a)	(1,889,629)	(1,655,576)	(1,565,058)
Interest Expenses	2(a)	(109,035)	(109,035)	(118,596)
Insurance Expenses		(202,422)	(202,422)	(196,068)
Other Expenditure		(180,851)	(183,407)	(157,456)
		<u>(6,925,890)</u>	<u>(6,663,157)</u>	<u>(5,954,848)</u>
Non-Operating Grants, Subsidies, Contributions		2,841,389	2,477,670	3,269,917
Profit on Asset Disposals	4	0	0	16,882
Loss on Asset Disposals	4	0	0	(38,160)
<b>Net Result</b>		2,460,564	2,171,019	3,403,932
Other Comprehensive Income		0	0	0
Changes on re-valuation of non-current assets		0	0	1,215,000
<b>Total Comprehensive Income</b>		<u>2,460,564</u>	<u>2,171,019</u>	<u>4,618,932</u>

**Notes:** Fair value adjustments to financial assets at fair value through Profit or Loss and Other Comprehensive Income (if any), is impacted upon by external forces and is not able to be reliably estimated at the time of budget adoption.

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

Fair value adjustments will be assessed at the time they occur with compensating budget amendments made as necessary.

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

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Statement of Cash Flows**  
**For the Year Ended 30 June 2018**

	Note	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
<b>Cash Flows From Operating Activities</b>				
<b>Receipts</b>				
Rates		4,386,000	4,386,000	4,062,100
Operating Grants, Subsidies, Contributions		710,559	572,602	762,839
Service Charges		0	0	0
Fees and Charges		1,133,338	1,122,738	960,405
Interest Earnings		128,428	88,428	117,413
Goods and Services Tax		0	0	0
Other Revenue		195,716	195,716	136,114
		<u>6,554,040</u>	<u>6,365,483</u>	<u>6,038,872</u>
<b>Payments</b>				
Employee Costs		(2,423,047)	(2,472,046)	(2,203,454)
Materials and Contracts		(2,275,449)	(2,185,216)	(1,243,206)
Utility Charges		(325,238)	(335,238)	(300,879)
Insurance Expenses		(202,422)	(202,422)	(196,068)
Interest Expenses		(109,035)	(109,035)	(121,054)
Goods and Services Tax		14,984	14,984	97,029
Other Expenditure		(180,851)	(183,407)	(157,456)
		<u>(5,501,058)</u>	<u>(5,472,380)</u>	<u>(4,125,088)</u>
<b>Net Cash Provided By</b>				
<b>Operating Activities</b>	15(b)	<u>1,052,982</u>	<u>893,103</u>	<u>1,913,784</u>
<b>Cash Flows from Investing Activities</b>				
Payments for Development of				
Land Held for Resale		0	0	0
Payments for Purchase of				
Property, Plant & Equipment		(3,635,985)	(3,428,666)	(5,839,743)
Payments for Construction of				
Infrastructure		(2,294,310)	(2,392,010)	(1,743,645)
Non-Operating Grants, Subsidies, Contributions				
used for the Development of Assets		2,841,389	2,477,670	3,269,917
Proceeds from Sale of				
Land Held for Resale		0	0	0
Proceeds from Sale of				
Plant & Equipment	4	0	300,000	446,028
<b>Net Cash Used in Investing Activities</b>		<u>(3,088,906)</u>	<u>(3,043,006)</u>	<u>(3,867,443)</u>

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Statement of Cash Flows (Continued)**  
**For the Year Ended 30 June 2018**

	Note	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
<b>Cash Flows from Financing Activities</b>				
Repayment of Debentures	5	(220,541)	(220,541)	(301,130)
Repayment of Finance Leases		0	0	0
Proceeds from Self Supporting Loans		0	0	0
Proceeds from New Debentures	5	0	0	0
<b>Net Cash Provided By (Used In) Financing Activities</b>		(220,541)	(220,541)	(301,130)
<b>Net Increase (Decrease) in Cash Held</b>		(2,256,465)	(2,370,444)	(2,254,789)
Cash at Beginning of Year		4,974,732	4,974,732	7,229,521
<b>Cash and Cash Equivalent at the End of the Year</b>	15(a)	2,718,264	2,604,287	4,974,732

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Statement of Changes in Equity**  
**For the Year Ended 30 June 2018**

Note	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
<b>RETAINED SURPLUS</b>			
Balance 1 July	30,902,869	30,902,869	24,466,178
Transfer from/(to) Reserves	1,374,127	1,538,152	3,032,759
Net Result	2,460,564	2,171,019	3,403,932
<b>Balance 30 June</b>	<b>34,737,560</b>	<b>34,612,040</b>	<b>30,902,869</b>
<b>CASH BACKED RESERVES</b>			
Balance 1 July	3,767,393	3,767,393	6,800,153
Transfer (from)/to Reserves	( 1,374,127)	( 1,538,152)	( 3,032,759)
<b>Balance 30 June</b>	<b>2,393,266</b>	<b>2,229,241</b>	<b>3,767,393</b>
<b>ASSET REVALUATION RESERVE</b>			
Balance 1 July	41,501,706	41,501,706	40,286,706
Transfer (from)/to Reserves	0	0	1,215,000
<b>Balance 30 June</b>	<b>41,501,706</b>	<b>41,501,706</b>	<b>41,501,706</b>
<b>TOTAL EQUITY</b>	<b>78,632,534</b>	<b>78,342,987</b>	<b>76,171,970</b>



**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Rate Setting Statement**  
**For the Year Ended 30 June 2018**

	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
<b>Revenue</b>			
Operating Grants, Subsidies, Contributions	710,559	572,602	762,839
Fees and Charges	1,133,338	1,122,738	1,008,454
Service Charges	0	0	0
Interest Earnings	128,428	88,428	119,606
Profit on Sale of Assets	0	0	16,882
Other Revenue	186,739	186,739	136,114
	<b>2,159,064</b>	<b>1,970,507</b>	<b>2,043,896</b>
<b>Expenses</b>			
Employee Costs	(2,423,047)	(2,472,046)	(2,278,177)
Materials and Contracts	(1,795,666)	(1,705,433)	(1,338,614)
Utility Charges	(325,238)	(335,238)	(300,879)
Depreciation on Non-Current Assets	(1,889,629)	(1,655,576)	(1,565,058)
Interest Expenses	(109,035)	(109,035)	(118,596)
Insurance Expenses	(202,422)	(202,422)	(196,068)
Loss on Sale of Assets	0	0	(38,160)
Other Expenditure	(180,851)	(183,407)	(157,456)
	<b>(6,925,888)</b>	<b>(6,663,157)</b>	<b>(5,993,008)</b>
<b>Adjustments for Cash Budget Requirements:</b>			
<b>Non-Cash Expenditure and Revenue</b>			
(Profit)/Loss on Asset Disposals	0	0	21,278
Movement in Accruals and Provisions	0	0	0
Depreciation on Assets	1,889,629	1,655,576	1,565,058
	<b>1,889,629</b>	<b>1,655,576</b>	<b>1,586,336</b>

# SHIRE OF BODDINGTON

## AMENDED BUDGET 2017-18

### Rate Setting Statement

For the Year Ended 30 June 2018

	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
<b>Capital Expenditure and Revenue</b>			
Land Held for Resale	0	0	0
Land and Buildings	(2,907,166)	(3,223,666)	(5,045,547)
Infrastructure - Roads	(961,500)	(961,500)	(630,923)
Infrastructure - Bridges	(282,000)	(42,500)	(31,853)
Infrastructure - Footpaths	(41,856)	(41,856)	(27,339)
Infrastructure - WTR/Streetscape	(111,635)	(111,635)	(1,021,255)
New Initiatives	(141,500)	(569,500)	0
Waste Infrastructure	(30,000)	(30,000)	(14,319)
Infrast. Other/Light Towers/Water to oval	(725,819)	(635,019)	(17,957)
Plant and Equipment	(678,819)	(170,000)	(645,940)
Furniture and Equipment	(50,000)	(35,000)	(148,255)
Grants/Contributions for Develop. of Assets	2,841,389	2,477,670	3,269,917
Proceeds from Disposal of Assets	0	300,000	446,028
Proceeds from Sale of Land Held for Resale	0	0	0
Repayment of Debentures	(220,541)	(220,541)	(301,130)
Proceeds from New Debentures	0	0	0
Transfers to Reserves (Restricted Assets)	(760,900)	(630,900)	(4,311,195)
Transfers from Reserves (Restricted Assets)	2,135,027	2,169,052	7,343,954
	<b>(1,935,320)</b>	<b>(1,725,395)</b>	<b>(1,135,814)</b>
<i>ADD Estimated Surplus/(Deficit) July 1 B/Fwd</i>	<b>751,517</b>	<b>751,517</b>	<b>166,976</b>
<i>LESS Estimated Surplus/(Deficit) June 30 C/Fwd</i>	<b>325,000</b>	<b>375,048</b>	<b>751,517</b>
<b>Amount Required to be Raised from Rates</b>	<b>(4,386,000)</b>	<b>(4,386,000)</b>	<b>(4,083,127)</b>

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Statement of Financial Position**  
**For the Year Ended 30 June 2018**

	2017/18 Amended Budget	2017/18 Adopted Budget	2016/17 Actual
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	2,718,264	2,604,287	4,974,732
Receivables	330,000	330,000	338,977
Inventories	2,045	2,045	2,044
Land Held for Resale	-	-	-
	<b>3,050,309</b>	<b>2,936,332</b>	<b>5,315,753</b>
<b>NON - CURRENT ASSETS</b>			
Receivables	-	-	-
Land Held for Resale	272,538	272,538	272,538
Property Plant & Equipment	31,457,904	31,282,336	27,432,220
Infrastructure	46,816,094	46,816,094	46,816,094
	<b>78,546,536</b>	<b>78,370,968</b>	<b>74,520,852</b>
<b>TOTAL ASSETS</b>	<b>81,596,845</b>	<b>81,307,300</b>	<b>79,836,606</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	23,596	23,596	503,379
Borrowings	-	-	220,541
Provisions	308,448	308,448	308,448
	<b>332,044</b>	<b>332,044</b>	<b>1,032,368</b>
<b>Non - current Liabilities</b>			
Trade & Other payables	300,000	300,000	300,000
Borrowings	2,284,898	2,284,898	2,284,898
Provisions	47,369	47,369	47,369
	<b>2,632,267</b>	<b>2,632,267</b>	<b>2,632,267</b>
<b>TOTAL LIABILITIES</b>	<b>2,964,311</b>	<b>2,964,312</b>	<b>3,664,635</b>
<b>NET ASSETS</b>	<b>78,632,534</b>	<b>78,342,987</b>	<b>76,171,970</b>
<b>EQUITY</b>			
Retained Earnings	34,737,560	34,612,040	30,902,869
Cash Backed Reserves	2,393,266	2,229,241	3,767,393
Asset Revaluation Reserve	41,501,706	41,501,706	41,501,706
<b>TOTAL EQUITY</b>	<b>78,632,534</b>	<b>78,342,987</b>	<b>76,171,970</b>

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**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.

**The Local Government Reporting Entity**

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

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

All monies held in the Trust Fund are excluded from the financial statements. A separate statement of those monies appears at Note 16 to this budget document.

**(b) 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) Rates, Grants, Donations and Other Contributions**

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions.

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

**(e) Goods and Services Tax (GST)**

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with receivables or payables in the statement of financial position.

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

**1. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(e) Goods and Services Tax (GST) (Continued)**

Cash flows are presented on a Gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows.

**(f) Superannuation**

The Council contributes to a number of Superannuation Funds on behalf of employees.

All funds to which the Council contributes are defined contribution plans.

**(g) Cash and Cash Equivalents**

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

Bank overdrafts are shown as short term borrowings in current liabilities in the statement of financial position.

**(h) Trade and Other Receivables**

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

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

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

**(i) Inventories**

***General***

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

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

***Land Held for Resale***

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

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

**I. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*Land Held for Resale (Continued)*

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.

**(j) Fixed Assets**

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

*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.

The amendments allow for a phasing in of fair value in relation to fixed assets over three years as follows:

(a) for the financial year ending on 30 June 2013, the fair value of all of the assets of the local government that are plant and equipment; and

(b) for the financial year ending on 30 June 2014, the fair value of all of the assets of the local government -

(i) that are plant and equipment; and

(ii) that are -

(I) land and buildings; or

(II) infrastructure;

and

(c) for a financial year ending on or after 30 June 2015, the fair value of all of the assets of the local government.

Thereafter, in accordance with the regulations, each asset class must be revalued at least every 3 years.

In 2013, Council commenced the process of adopting Fair Value in accordance with the Regulations.

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

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

**I. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Fixed Assets (Continued)**

***Land Under Control***

In accordance with Local Government (Financial Management) Regulation 16(a), the Council was required to include as an asset (by 30 June 2013), Crown Land operated by the local government as a golf course, showground, racecourse or other sporting or recreational facility of state or regional significance.

Upon initial recognition, these assets were recorded at cost in accordance with AASB 116. They were then classified as Land and revalued along with other land in accordance with the other policies detailed in this Note.

Whilst they were initially recorded at cost (being fair value at the date of acquisition (deemed cost) as per AASB 116) they were revalued along with other items of Land and Buildings at 30 June 2014.

***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 Council 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 on the next anniversary date in accordance with the mandatory measurement framework detailed above.

***Revaluation***

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

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

**I. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Fixed Assets (Continued)**

***Transitional Arrangement***

During the time it takes to transition the carrying value of non-current assets from the cost approach to the fair value approach, the Council may still be utilising both methods across differing asset classes.

Those assets carried at cost will be carried in accordance with the policy detailed in the ***Initial Recognition*** section as detailed above.

Those assets carried at fair value will be carried in accordance with the ***Revaluation Methodology*** section as detailed above.

***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 Council.

***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.



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**I. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(j) Fixed Assets (Continued)**

Major depreciation periods are as per Council adopted policy F20 Non Current Asset Capitalisation and Depreciation Control.

**Land and Buildings**

Land	Not depreciated
Buildings	
- External Structure	100 years
- Roof Structure	25 years
- Fitout, including flooring	10 years
- Mechanicals	15 years

**Furniture and Equipment**

Computers	3 years
Communications	5 years
Furniture	10 years
Equipment	5 years

**Plant and Equipment**

Light Plant	5 years
Medium Plant	7 to 10 years
Heavy Plant	10 to 15 years
Minor Plant	7 to 10 years

**Roads**

Sealed and Unsealed Roads - formation	Not depreciated
Sealed Roads - Pavement	100 years
Sealed Roads - Surface	5 to 20 years
Unsealed Roads - Pavement	5 to 10 years

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

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

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

When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

***Capitalisation Threshold***

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

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**For the Year Ended 30 June 2018**

**I. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(k) Fair Value of Assets and Liabilities**

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

Fair Value is the price that Council 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 (i.e. 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.

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**AMENDED BUDGET 2017-18**  
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**For the Year Ended 30 June 2018**

**I. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(k) Fair Value of Assets and Liabilities (Continued)**

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

**Market approach**

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

**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 Council 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.

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued at least every 3 years.

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
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**For the Year Ended 30 June 2018**

**I. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(I) Financial Instruments**

**Initial Recognition and Measurement**

Financial assets and financial liabilities are recognised when the Council becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council 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.

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.

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

**I. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(I) Financial Instruments (Continued)**

*(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 Council's 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 BODDINGTON**  
**AMENDED BUDGET 2017-18**

**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

**I. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(l) Financial Instruments (Continued)**

***Impairment***

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

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

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

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

***Derecognition***

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

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

**(m) Impairment of Assets**

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

# SHIRE OF BODDINGTON

## AMENDED BUDGET 2017-18

### Notes to and Forming Part of the Budget

#### For the Year Ended 30 June 2018

#### I. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (m) Impairment of Assets (Continued)

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.

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

At the time of adopting this budget, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2017.

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

##### (n) Trade and Other Payables

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

##### (o) Employee Benefits

###### Short-Term Employee Benefits

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

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

**I. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(o) Employee Benefits (Continued)**

**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 re-measurements 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 Council's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Council 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.

**(p) Borrowing Costs**

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset until such time as the asset is substantially ready for its intended use or sale.

**(q) Provisions**

Provisions are recognised when the Council 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.

**(r) 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 Council's operational cycle. In the case of liabilities where the Council 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 Council's intentions to release for sale.



**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

**I. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(s) Comparative Figures**

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

**(t) Budget Comparative Figures**

Unless otherwise stated, the budget comparative figures shown in this budget document relate to the original budget and previous year actuals for the relevant item of disclosure.

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
Notes to and Forming Part of the Budget  
For the Year Ended 30 June 2018

	Note	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
<b>2. OPERATING REVENUES AND EXPENSES</b>				
<b>(a) Result from Ordinary Activities</b>				
The result from ordinary activities includes:				
(i) Charging as Expenses:				
<b>Auditors Remuneration</b>				
Audit		23,304	23,304	22,300
Other Services		0	0	0
<b>Depreciation</b>				
<u>By Class</u>				
Land and Buildings		299,520	314,325	248,073
Furniture and Equipment		29,098	24,582	24,100
Plant and Equipment		202,667	171,213	167,856
Roads & Bridges		1,033,170	870,748	855,708
Footpaths		25,726	21,733	21,307
Drainage		104,858	88,584	86,847
Parks & Ovals		30,876	26,085	25,573
Public Facilities		103,271	87,244	85,533
Foreshore & Caravan Park		29,170	24,643	24,160
Other Infrastructure incl. Cemeteries		31,272	26,419	25,901
		<u>1,889,629</u>	<u>1,655,576</u>	<u>1,565,058</u>
<b>Interest Expenses (Finance Costs)</b>				
- Debentures (refer note 5(a))		109,035	109,035	118,596
		<u>109,035</u>	<u>109,035</u>	<u>118,596</u>
(ii) Crediting as Revenues:				
<b>Interest Earnings</b>				
<b>Investments</b>				
- Reserve Funds		16,754	16,754	4,918
- Other Funds		88,042	48,042	58,197
- Other Restricted Funds		7,826	7,826	36,560
Other Interest Revenue (refer note 13)		15,806	15,806	19,931
		<u>128,428</u>	<u>88,428</u>	<u>119,606</u>

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

**2. OPERATING REVENUES AND EXPENSES (Continued)**

**(b) Statement of Programme/Activities**

**GENERAL PURPOSE FUNDING**

Rates, general purpose government grants and interest revenue.

**GOVERNANCE**

Administration and operation of facilities and services to members of Council; other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services.

**LAW, ORDER, PUBLIC SAFETY**

Supervision of various by-laws, fire prevention, emergency services and animal control.

**HEALTH**

Food quality, pest control and financial assistance in the provision of medical and doctor services.

**EDUCATION AND WELFARE**

Operation of day care centre and Retirement Village Units.

**HOUSING**

Provision of staff and residential housing.

**COMMUNITY AMENITIES**

Rubbish collection services, operation of tips, noise control, administration of the town planning scheme, maintenance of cemeteries, maintenance of storm water drainage, environmental services, public conveniences and cemetery operation. Community assistance grants, crime prevention and youth services.

**RECREATION AND CULTURE**

Maintenance of halls, aquatic centres, recreation centres and various reserves; operation of library and community development services.

**TRANSPORT**

Construction and maintenance of streets, roads, bridges; cleaning and lighting of streets, depot maintenance.

**ECONOMIC SERVICES**

The regulation and provision of tourism, area promotion, building control, noxious weeds and vermin control.

**OTHER PROPERTY & SERVICES**

Private works operation, plant repairs, operations and administrative costs.

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

3. ACQUISITION OF ASSETS	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
The following assets are budgeted to be acquired during the year:			
<b>By Class</b>			
Land held for resale	0	0	0
Land and Buildings	2,907,166	3,223,666	5,045,547
Infrastructure Assets - Roads	961,500	961,500	630,923
Infrastructure Assets - Bridges	282,000	42,500	31,853
Infrastructure Assets - Footpaths	41,856	41,856	27,339
Infrastructure Assets - Drainage	0	0	0
Plant & Equipment	678,819	170,000	645,940
Streetscape/New initiatives	253,135	681,135	0
Waste Infrastructure	30,000	30,000	14,319
Infrastructure Assets - Other/WTR	725,819	635,019	1,039,212
Furniture & Equipment	50,000	35,000	148,255
	5,930,295	5,820,676	7,583,388

To obtain further details of Asset Acquisitions refer to attachment  
- Acquisition of Assets - 2017/18 Budget

**4. DISPOSALS OF ASSETS**

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

**By Class**

	Net Book Value	Sale Proceeds	** Profit(Loss)
	2017/18 Revised Budget \$	2017/18 Revised Budget \$	2017/18 Revised Budget \$
Land and Buildings	0	0	0
Plant and Equipment	0	0	0
Furniture and Equipment	0	0	0
Infrastructure Assets - Roads	0	0	0
Infrastructure Assets - Footpaths	0	0	0
Infrastructure Assets - Drainage	0	0	0
Infrastructure Assets - Other	0	0	0
	0	0	0

**Summary**

Profit on Asset Disposals  
Loss on Asset Disposals

2017/18 Budget \$
0
0

\*\* Profit/(loss) Includes Revaluation Reserve Surplus & Deficits

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**

Notes to and Forming Part of the Budget  
For the Year Ended 30 June 2018

**5. INFORMATION ON BORROWINGS**

**(a) Debenture Repayments**

Movement in the carrying amounts of each class of property, plant and equipment between the beginning and the end of the current financial year.

Particulars	Loan No	Principal 1-Jul-17	New Loans	Principal Repayments		Principal Outstanding		Interest Repayments	
				2017/18	2016/17	2017/18	2016/17	2017/18	2016/17
				Budget \$	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$
<b>Governance</b>									
Loan 105 - Administration Centre	L105	925,594	0	112,456	808,583	925,594	35,955	40,510	
<b>Education &amp; Welfare</b>									
Loan 99 - Aged Care Housing Devt.	L099	0	0	0	0	0	0	0	
Loan 100 - Child Care Centre	L100	162,580	0	12,997	148,736	162,580	10,219	11,067	
<b>Health</b>									
Loan 83 - Doctor's residence	L083	57,101	0	9,368	47,107	57,101	3,590	4,216	
<b>Housing</b>									
Loan 77 - Johnstone St. - Housing	L077	0	0	0	0	0	0	0	
Loan 91 - Executive - Housing	L091	0	0	0	0	0	0	0	
Loan 94 - Pecan Place - Housing	L094	231,584	0	11,107	219,749	231,584	14,749	15,477	
Loan 97 - Hill Street - Housing	L097	234,858	0	11,264	222,856	234,858	14,958	15,696	
<b>Community Amenities</b>									
Loan 81 - Refuse site	L081	0	0	0	0	0	0	0	
<b>Recreation &amp; Culture</b>									
Loan 103 - Recreation Centre	L103	0	0	51,216	0	0	0	1,712	
Loan 106 - Recreation Centre	L106	893,721	0	54,025	837,866	893,721	29,564	31,394	
<b>Transport</b>									
Loan 102 - Grader	L102	0	0	38,698	0	0	0	1,048	
		<b>2,505,439</b>	<b>0</b>	<b>301,130</b>	<b>2,284,898</b>	<b>2,505,439</b>	<b>109,035</b>	<b>121,119</b>	

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**

Notes to and Forming Part of the Budget  
 For the Year Ended 30 June 2018

5. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2017/18

Particulars/Purpose	Estimated Amount Borrowed	Institution	Loan Type	Term (Years)	Total Interest & Charges	Interest Rate %	Amount Used Budget	Balance Unspent \$

(c) Unspent Debentures

Council has no unspent debentures as at June 2018.

(d) Overdraft

Council has established an overdraft facility of \$750,000 to assist with short term liquidity requirements. The balance of the bank overdraft at 1 July 2016 was \$Nil and 30 June 2017 was \$Nil.

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
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For the Year Ended 30 June 2018

	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
<b>6. RESERVES</b>			
<b>(a) Leave</b>			
Opening Balance	277,595	277,595	272,153
Amount Set Aside / Transfer to Reserve	5,335	5,335	5,443
Amount Used / Transfer from Reserve	0	0	0
	282,930	282,930	277,595
<b>(b) Plant &amp; Vehicle</b>			
Opening Balance	350,021	350,021	98,060
Amount Set Aside / Transfer to Reserve	301,922	301,922	251,961
Amount Used / Transfer from Reserve	(50,000)	(50,000)	0
	601,943	601,943	350,021
<b>(c) Building</b>			
Opening Balance	381,515	381,515	272,586
Amount Set Aside / Transfer to Reserve	0	0	386,967
Amount Used / Transfer from Reserve	(65,000)	(65,000)	(278,038)
	316,515	316,516	381,515
<b>(d) Local Organisation Assistance Fund</b>			
Opening Balance	30,112	30,112	29,522
Amount Set Aside / Transfer to Reserve	579	579	590
Amount Used / Transfer from Reserve	0	0	0
	30,691	30,691	30,112
<b>(e) Aged Housing</b>			
Opening Balance	313,080	313,080	306,941
Amount Set Aside / Transfer to Reserve	306,016	306,016	6,139
Amount Used / Transfer from Reserve	0	0	0
	619,096	619,096	313,080
<b>(f) Car Parks</b>			
Opening Balance	0	0	0
Amount Set Aside / Transfer to Reserve	0	0	0
Amount Used / Transfer from Reserve	0	0	0
	0	0	0
<b>(g) Refuse Site</b>			
Opening Balance	37,592	37,592	36,855
Amount Set Aside / Transfer to Reserve	722	722	737
Amount Used / Transfer from Reserve	0	0	0
	38,314	38,314	37,592

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
Notes to and Forming Part of the Budget  
For the Year Ended 30 June 2018

	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
<b>6. RESERVES (Continued)</b>			
<b>(h) High School Sharing Resource</b>			
Opening Balance	25,179	25,179	24,685
Amount Set Aside / Transfer to Reserve	484	484	494
Amount Used / Transfer from Reserve	0	0	0
	25,663	25,663	25,179
<b>(i) Public Open Space</b>			
Opening Balance	122,441	122,441	0
Amount Set Aside / Transfer to Reserve	130,000	0	122,441
Amount Used / Transfer from Reserve	(10,000)	(50,000)	0
	242,441	72,441	122,441
<b>(j) River Crossing</b>			
Opening Balance	64,720	64,720	63,451
Amount Set Aside / Transfer to Reserve	1,244	1,244	1,269
Amount Used / Transfer from Reserve	0	0	0
	65,964	65,964	64,720
<b>(k) Recreation Centre</b>			
Opening Balance	0	0	310,309
Amount Set Aside / Transfer to Reserve	0	0	6,206
Amount Used / Transfer from Reserve	0	0	(316,515)
	0	0	0
<b>(l) Swimming Pool</b>			
Opening Balance	10,333	10,333	10,130
Amount Set Aside / Transfer to Reserve	199	199	203
Amount Used / Transfer from Reserve	0	0	0
	10,532	10,532	10,333
<b>(m) Unspent Loans</b>			
Opening Balance	222,526	222,526	1,000,000
Amount Set Aside / Transfer to Reserve	0	0	222,526
Amount Used / Transfer from Reserve	(222,526)	(222,526)	(1,000,000)
	0	0	222,526
<b>(n) Prepaid Conditional Grants</b>			
Opening Balance	211,106	211,106	25,000
Amount Set Aside / Transfer to Reserve	254	254	186,106
Amount Used / Transfer from Reserve	(186,106)	(186,106)	0
	25,254	25,254	211,106
<b>(o) Unspent Conditional Grants</b>			
Opening Balance	1,721,171	1,721,171	4,350,460
Amount Set Aside / Transfer to Reserve	14,145	14,145	3,120,112
Amount Used / Transfer from Reserve	(1,601,395)	(1,595,420)	(5,749,401)
	133,921	139,896	1,721,171
<b>Total Reserves</b>	2,393,264	2,229,239	3,767,392



**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
Notes to and Forming Part of the Budget  
For the Year Ended 30 June 2018

	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
<b>6. RESERVES (Continued)</b>			
<b>6. Movements to/from Reserves</b>			
<b>Transfers to Reserves</b>			
Leave	5,335	5,335	5,443
Plant & Vehicle	301,922	301,922	251,961
Building	0	0	386,967
Local Organisation Assistance Fund	579	579	590
Aged Housing	306,016	306,016	6,139
Car Parks	0	0	0
Refuse Site	722	722	737
High School Sharing Resource	484	484	494
Public Open Space	130,000	0	122,441
River Crossing	1,244	1,244	1,269
Recreation Centre	0	0	6,206
Swimming Pool	199	199	203
Unspent Loans	0	0	222,526
Prepaid Conditional Grants	254	254	186,106
Unspent Conditional Grants	14,145	14,145	3,120,112
	760,900	630,900	4,311,195
<b>Transfers from Reserves</b>			
Leave	0	0	0
Plant & Vehicle	(50,000)	(50,000)	0
Building	(65,000)	(65,000)	(278,038)
Local Organisation Assistance Fund	0	0	0
Aged Housing	0	0	0
Car Parks	0	0	0
Refuse Site	0	0	0
High School Sharing Resource	0	0	0
Public Open Space	(10,000)	(50,000)	0
River Crossing	0	0	0
Recreation Centre	0	0	(316,515)
Swimming Pool	0	0	0
Unspent Loans	(222,526)	(222,526)	(1,000,000)
Prepaid Conditional Grants	(186,106)	(186,106)	0
Unspent Conditional Grants	(1,601,395)	(1,595,420)	(5,749,401)
	(2,135,027)	(2,169,052)	(7,343,954)
<b>Total Transfer to/(from) Reserves</b>	(1,374,127)	(1,538,152)	(3,032,759)

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

**6. 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:

**Leave**

This reserve is for the cash backed Annual leave entitlements.

**Plant & Vehicle**

This reserve is for the purchase of major plant and equipment.

**Building**

This reserve is for the purchase of buildings.

**Local Organisation Assistance Fund**

This Reserve is for the assistance of local communities in the Shire of Boddington.

**Aged Housing**

This reserve is for the construction and/or capital maintenance of retirement units owned by the Shire.

**Car Parks**

This reserve is for the construction of car parks at Shire buildings, parks and ovals.

**Refuse Site**

This reserve is for the upgrade and rationalisation of Refuse Disposal Facilities within the Shire

**High School Sharing Resource**

This Reserve is for the sharing of resources between the High school and Shire of Boddington.

**Public Open Space**

This reserve is for the upgrade and rationalisation of Public Open Space and parklands within the Shire

**River Crossing**

This Reserve is for purpose of providing for future capital upgrade of the River crossing.

**Recreation Centre**

This Reserve is for purpose of providing for future capital upgrade of Recreational Hardcourts

**Swimming Pool**

This Reserve is for purpose of providing for future capital upgrade of the Boddington swimming pool.

**Prepaid Conditional Grants**

To provide a mechanism for identifying prepaid grants where the expenditure associated with be incurred in the next financial year, these mainly consist of prepaid Financial Assistance Grants (FAG) and local roads grants.

**Unspent Conditional Grants**

To provide a mechanism for identifying conditional unspent grants where the expenditure associated will be undertaken in future years be it operating or capital in nature.

**Unspent Loans**

To provide a mechanism for restricting loan proceeds unspent for future expenditures be it of an operating or capital nature, this forms part of restricted funds.

**For the Year Ended 30 June 2018**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

	2017/18 Amended Budget \$	201718 Adopted Budget \$	2016/17 Actual \$
<b>7. NET CURRENT ASSETS</b>			
Composition of Estimated Net Current Asset Position			
<b>CURRENT ASSETS</b>			
Cash - Unrestricted	325,000	375,048	1,207,340
Cash - Restricted	2,393,264	2,229,239	3,767,392
Receivables	330,000	330,000	338,977
Inventories	2,045	2,045	2,044
	3,050,309	2,936,332	5,315,753
<b>LESS: CURRENT LIABILITIES</b>			
Payables and Provisions	(332,044)	(332,044)	(1,032,368)
<b>NET CURRENT ASSET POSITION</b>	2,718,265	2,604,288	4,283,385
Less: Cash - Restricted	(2,393,264)	(2,229,239)	(3,767,392)
Add: Secured by Floating Charge	0	0	220,541
<b>ESTIMATED SURPLUS/(DEFICIENCY) C/FWD</b>	325,000	375,048	736,534

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**

Notes to and Forming Part of the Budget  
 For the Year Ended 30 June 2018

**8a. RATING INFORMATION - 2017/18 FINANCIAL YEAR**

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Budgeted Rate Revenue \$	Budgeted Interim Rates \$	Budgeted Back Rates \$	Budgeted Total Revenue \$	2016/17 Budget \$
<b>Differential General Rate</b>								
UV - All other	0.006487	279	125,754,500	673,117	0	0	673,117	894,964
UV - Mining	0.031955	45	35,956,967	1,143,849	0	0	1,143,849	
GRV - Townsites	0.084000	490	9,261,720	735,277	17,193	0	752,470	2,869,801
GRV - Mining	0.057500	2	25,745,020	1,480,338	0	0	1,480,338	
<b>Sub-Totals</b>		<b>816</b>	<b>196,718,207</b>	<b>4,032,581</b>	<b>17,193</b>	<b>0</b>	<b>4,049,774</b>	<b>3,764,765</b>
<b>Minimum Rates</b>								
UV - All other	\$ 899.00	196		176,204	0	0	176,204	223,272
UV - Mining	899.00	42		37,758	0	0	37,758	
GRV - Townsites	899.00	135		121,365	0	0	121,365	119,136
GRV - Mining	899.00	1		899	0	0	899	
<b>Sub-Totals</b>		<b>374</b>	<b>0</b>	<b>336,226</b>	<b>0</b>	<b>0</b>	<b>336,226</b>	<b>342,408</b>
Ex Gratia Rates							4,386,000	4,107,173
							0	0
Discount							4,386,000	4,107,173
<b>Totals</b>							<b>4,386,000</b>	<b>4,107,173</b>

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

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 payments 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.

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

**8b. RATING INFORMATION - 2017/18 FINANCIAL YEAR**

**Proposed Differential Rates 2017/18**

**Objects and Reasons:**

Councillors and senior staff have been working with the Community Advisory Group, a panel of 14 community representatives chosen to assist it with the major four year revision of the Community Strategic Plan. Although the revised plan is not complete, it is clear that the community have high expectations that the improvements in community facilities achieved by the Council in the past few years should continue.

Some of the suggestions that Council is likely to take up in the 2017/18 and future budgets include;

- major upgrades to the Hotham River foreshore area,
- improvements in the Ranford Pool area,
- improvements to sporting facilities including new oval lighting towers to compliment the newly opened Sport and Rec Centre,
- beach volleyball courts,
- playground equipment, including nature play areas and facilities for older youth,
- entry statements on Albany Highway and at the Western entrance to Boddington, and
- funding for economic development initiatives, including re-engaging an economic development officer, previously funded under R4R grants to ensure the continued diversification of the local economy away from mining.

Given the increases in rates across the board last year arising from a change in the valuation of the mining camp, Council is seeking to provide some relief in making the rate increase for 2017/18 quite modest.

To achieve substantial improvements in facilities, while at the same time keeping rate increases for the average ratepayer modest is also one of the driving reasons behind the consideration of differential rating.

The differential rates in the dollar proposed, are an attempt to balance the need for revenue required to fund essential services, facilities and infrastructure and an equitable distribution of rates. Thus, the objective for all of council's rates is to meet the shortfall between planned expenditures and expected revenues in order to achieve a balanced budget.

There are currently only two categories for rating, GRV and UV. Council proposes to introduce two new categories GRV Mining and UV Mining.

In relation to the introduction of a differential mining rate in the UV category, Council is satisfied that UVs generally form a proper and equitable basis for differentiation amongst these properties.

In relation to the introduction of a differential mining rate in the GRV category, Council is satisfied that GRVs generally form a proper and equitable basis for differentiation amongst these properties.

**Proposed Differential Rating Categories**

GRV Mining

This rating category covers all Mining Leases, Exploration Licenses, Prospecting Licences, Retention Licenses, General Purpose Leases, Special Prospecting Licences for Gold and Miscellaneous Licenses as defined under the Mining Act with a GRV valuation. It also includes properties with a GRV valuation that are held by or leased by a company whose primary activities involve mining. It does not include properties with a GRV valuation that comprise a single dwelling in the township of Boddington.

The proposed rate is 0.058205 cents in the dollar GRV Mining. Rates provided by this category, including minimum rates at \$899 are approximately 34% of the total rate requirements of council. There are three properties in this category which are effectively controlled by one ratepayer. The object of the rate for this category is to improve fairness and equity outcomes by providing some relief to this ratepayer from the effects of increases in the UV Mining category as the ratepayer in this category also has a substantial holdings in the proposed UV Mining category and is presently paying a very substantial portion of the general rates Council collects. On that basis the differential rate is to be decreased by a margin of 30% from that applied in 2016/17 and a similar decrease in gross rates received.

GRV General

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

This rating category covers all properties with a GRV valuation not categorised as GRV Mining. The proposed rate is 0.078813 cents in the dollar GRV General. Rates provided by this category, including minimum rates at \$899 are approximately 20% of the total rate requirements of council. This sector comprises the residential and commercial properties in the town area and Council considers that this sector has been contributing to the services and infrastructure of the shire in a fair manner. On that basis, the object of the rate for this category is to keep the gross increase in rates received to a small margin of 1.7% from that generated in 2016/17. This will occur despite a small reduction in the rate in the dollar.

UV Mining

This rating category covers all Mining Leases, Exploration Licences, Prospecting Licences, Retention Licences, General Purpose Leases, Special Prospecting Licences for Gold and Miscellaneous Licences as defined under the Mining Act with a UV valuation. It also includes properties with a UV valuation that are held by or leased by a company whose primary activities involve mining.

The proposed rate is 0.031955 cents in the dollar UV Mining. Rates provided by this category, including minimum rates at \$899 are approximately 27% of the total rate requirements of council.

This sector comprises properties outside the town area which are not used for rural purposes. Council considers that this sector has not been contributing to the services and infrastructure of the shire in a fair manner. On that basis the differential rate is to be increased by a margin of 400% from that applied in 2016/17.

The object of the rate for this category is to rate properties at a higher than the UV General differential rate to improve fairness and equity outcomes by:

- Applying a premium to compensate for the different valuation method and comparatively lower valuation level compared to equivalent properties in built-up areas.
- Applying a premium to reflect the following key points
  1. Mining areas and known mineral resources cover a consideration portion of the district with the most extensive resource being bauxite.
  2. Other than the Shire of Collie, the Shire of Boddington is the local government that is most impacted by mining operations in the South-West Land Division (generally the area from Geraldton to Esperance).
  3. The Shire receives a number of enquiries from landowners and other stakeholders regarding the planning implications of living and investing in the vicinity of bauxite mining operations.
  4. A mining buffer was originally identified in 2007 to assist in accommodating bauxite and gold mining and to reduce land use conflict. The mining buffer protects mining operations from sensitive land uses and development which could prejudice the extraction (now and in the future) of mineral and basic raw material resources.
  5. The mining buffer covers a significant portion of the district including parts of the Boddington townsite, various rural residential and rural smallholding estates and many freehold rural properties. There is a mining buffer of 1200 metres for bauxite mining surrounding known bauxite resources.
  6. The mining buffer has been proposed to be considerably expanded in recent years based on advice from South32 and State Government agencies including the Department of Mines and Petroleum.
  7. The Shire has spent considerable time and funds to review the Shire of Boddington Local Planning Strategy, which was endorsed by the Western Australian Planning Commission (WAPC) in 2007. A key driver of this review was the modified mining buffer. The Shire's efforts have included raising awareness and liaising with landowners, the community and stakeholders.
  8. The Shire will spend an increasing amount of time and funds to assist in protecting and accommodating bauxite mining through the proposed Shire of Boddington Local Planning Scheme No. 3 (LPS3). This includes through the WAPC requirement to give statutory weight to the mining buffer through a Mining Buffer Special Control Area to be introduced into LPS3. LPS3 will also include provisions to control development within the Mining Buffer Special Control Area. Some of the implications will include:
    - (i) The Shire being required to liaise with landowners and stakeholders and to discourage sensitive land uses (such as residential development) in close proximity to basic raw material and mineral extraction operations.
    - (ii) Increased planning and administrative resources, as most forms of development and changes of land use in the mining buffer will require a Development Application.
    - (iii) While recognising the need to limit or prevent 'sensitive' development, there are competing legal issues, including a generally accepted right to construct a single dwelling on a lot. Many rural lots in the mining buffer currently do not have a dwelling.

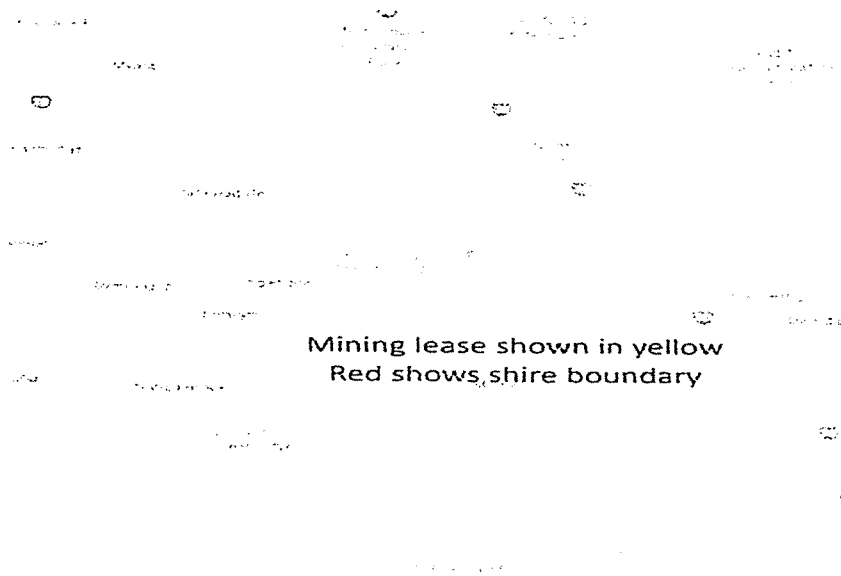
**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

(iv) Anticipated reviews being submitted to the State Administrative Tribunal, due to the Shire refusing Development Applications, based on incompatibility with bauxite mining.

(v) There will be considerable liaising with South32, the Department of Mines and Petroleum, the Department of State Development, WAPC and other agencies on Development Applications, other planning proposals and land administrative matters, as they may affect basic raw materials and mineral resources.

9. South32 operations have resource implications on other Shire services and assets, including environmental health, emergency management, administration and roads.

The following map shows the approximate mining lease area of the company that will be impacted the most by this proposal, in relation to the shire boundaries. This shows the potential impact that the company has on all aspects of shire operations. The mining buffer is shown on attachment 8.5.1A.



*Figure 1 Mining lease in relation to Shire boundaries*

#### UV General

All properties with a UV valuation not categorised as UV Mining. The proposed rate is 0.006391 cents in the dollar UV General. Rates provided by this category, including minimum rates at \$899 are approximately 19% of the total rate requirements of council. This sector comprises the rural properties outside the town area and Council considers that this sector has been contributing to the services and infrastructure of the shire in a fair manner. On that basis, the object of the rate for this category is to keep the rate in the dollar the same yet yield a small margin of 1.5% from that raised in 2016/17.

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
Notes to and Forming Part of the Budget  
For the Year Ended 30 June 2018

8c. RATING INFORMATION - 2017/18 FINANCIAL YEAR  
Proposed Differential Rates 2017/18



Shire of Boddington

Notice of Intention to Impose Differential Rates

In accordance with section 6.36 of the Local Government Act in its Budget for the year ending 30<sup>th</sup> of June 2018, the Shire of Boddington intends imposing the following differential rates and minimum payments.

Differential Rate Category	Rate in \$	Minimum Payment
<b>Unimproved Valued Properties</b>		
UV – Mining	0.031955	\$899
UV – General	0.006391	\$899
<b>Gross Rental Valued Properties</b>		
GRV – Mining	0.058205	\$899
GRV – General	0.078813	\$899

The figures shown above are estimates and may change as part of Council's deliberations after consideration of any submissions received.

A statement of the objects and reasons for the proposed differential rates is available at Council's offices Bannister Road Boddington Mon – Fri 9:00 AM to 4:30 PM and on Shire of Boddington website [www.boddington.wa.gov.au](http://www.boddington.wa.gov.au)

Written submissions from electors and ratepayers on the proposed rates and the minimum payments are to be addressed to the Chief Executive Officer Shire of Boddington PO Box 4 Boddington WA 6390.

Submissions received after 12 June 2017 will not be considered.

Chris Littlemore  
Chief Executive Officer

The Local Government (Financial Management) Regulations 1996 r.23(b) provides that if a differential general rate or minimum payment differs from the proposed rate for payment set forth in the local public notice given under section 6.36, the annual budget is to provide details of the rate or payment set forth in the public notice and provide reasons for the difference.

The reason being that the Department of Local Government informally requested Council review the rates in the dollar for GRV and UV with a view to achieving consistency, that is, a uniform increase for all rate payers in the town and rural categories and if possible, Council's largest ratepayer, Newmont Boddington Gold. It was felt that this was a desirable outcome from the objective of consistency. The predominant increase for the majority of ratepayers is 1.5% as a result of this review.



**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
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**9. SPECIFIED AREA RATE & SERVICE CHARGES - 2017/18 FINANCIAL YEAR**

The Shire of Boddington did not have any specified area rates or service charges for 2016/17 and does not plan to raise any in 2017/18.

**10. OPERATING GRANTS**

	2017/18 Amended Budget	2017/18 Adopted Budget	2016/17 Actual
<b>Recurring operating grants</b>	\$	\$	\$
WAGC - General Purpose Grant	57,503	67,503	213,473
WAGC - Local Roads Grant	82,077	98,077	316,371
Road Safety Alliance	71,040	71,040	69,990
Swimming Pool	3,248	3,248	3,200
Childcare	95,734	95,734	94,201
Rural Living Expo	0	0	(3,227)
MRWA Direct Grants	28,347	20,847	48,100
ESL Grant - Brigades	47,694	47,694	46,989
ESL Grant - SES	25,180	25,180	24,808
Weir Project	30,000	30,000	0
SESAM/BFCO Grant	0	45,225	0
Other Grants	29,366	29,367	29,051
<b>Sub - total</b>	<b>470,189</b>	<b>533,914</b>	<b>842,956</b>
<b>Non - recurring operating grants</b>			
WANDRA Disaster funding	26,500	0	0
Public Open Space	0	0	122,441
Supertowns - WTR	0	0	(150,000)
Mitigation Activity Grant	53,900	0	0
DFES Bushfire Management Planning Co-ordinator	159,970	38,688	69,884
<b>Sub - total</b>	<b>240,370</b>	<b>38,688</b>	<b>42,325</b>
<b>Total Operating Grants</b>	<b>710,559</b>	<b>572,602</b>	<b>885,281</b>

**SHIRE OF BODDINGTON**  
**Other Comprehensive Income**  
**Notes to and Forming Part of the Budget**  
**Total Comprehensive Income**

**11. FEES & CHARGES REVENUE**

	2017/18 Amended Budget	2017/18 Adopted Budget	2016/17 Actual
<b>Statutory fees</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Animal control	10,400	10,400	16,288
Building control	19,604	19,604	20,348
Planning control	43,987	14,987	14,828
<b>Sub-total</b>	<b>73,991</b>	<b>44,991</b>	<b>51,464</b>
<b>User fees</b>			
Administration	29,099	29,099	30,205
Aged Housing	35,776	35,776	32,077
Cemetery	14,040	14,040	17,316
Childcare	317,863	366,863	308,600
Caravan park	156,010	151,010	124,371
Doctor/Health	3,661	3,661	4,782
WA Transport (licencing)	43,772	43,772	35,061
Fire & Vehicle control	1,664	1,664	1,000
Halls & housing	4,160	4,160	7,330
Leases	82,686	82,686	79,133
Library	34,816	216	232
Other	26,840	21,840	17,550
Rates	20,071	20,071	19,030
Swimming pool	22,880	22,880	15,232
Waste services	263,096	277,096	259,508
Youth	2,912	2,912	2,983
<b>Sub-total</b>	<b>1,059,347</b>	<b>1,077,747</b>	<b>954,411</b>
<b>Total Fees &amp; Charges</b>	<b>1,133,338</b>	<b>1,122,738</b>	<b>1,005,876</b>

**12. RATE PAYMENT DISCOUNTS, WAIVERS & CONCESSIONS - 2017/18 FINANCIAL YEAR**

The Shire of Boddington will not be providing a discount for early payment of rates for 2017/18.

**13. INTEREST CHARGES AND INSTALMENTS - 2017/18 FINANCIAL YEAR**

Rates are due and payable on 25 September 2017 or 35 days after the date of service appearing on the rate notice whichever is later.

An interest rate of 11% will be charged on all rate payments which are late. It is estimated this will generate income of \$15,806.

**SHIRE OF BODDINGTON  
AMENDED BUDGET 2017-18  
Notes to and Forming Part of the Budget  
For the Year Ended 30 June 2018**

**Instalment Options**

Instalment options are available to ratepayers for payment of their rates.

Option 1 (Full Payment)

Full amount of rates and charges including arrears to be paid on or before 25 September 2017 or 35 days after the date of service appearing on the rate notice whichever is later.

Option 2 (Two Instalments)

First instalment to be received on or before 25 September 2017 or 35 days after the date of service appearing on the rate notice whichever is later and including all arrears and one half of the current rates and service charges. The second instalment to be made on 14 February 2018 or four months and 35 days from service of rates notice whichever is later.

Option 3 (Four Instalments)

First instalment to be received on or before 25 September 2017 or 35 days after the date of service appearing on the rate notice whichever is later and including all arrears and one quarter of the current rates and service charges. The second, third and fourth instalments are to be made on 5 December 2017, 14 February 2018 and 26 April 2018 or at two month intervals whichever is later.

The revenue from the imposition of the interest and administration charge under this option is estimated at \$16,326 as is dissected as follows:

	2017/18 Amended Budget
	\$
Charges on Instalment Plan	520
Interest on Instalment Plan	15,806
	16,326
	16,326

**14. COUNCILLORS' REMUNERATION**

	2017/18 Amended Budget	2017/18 Adopted Budget	2016/17 Actual
	\$	\$	\$
The following fees, expenses and allowances are to be paid to council members and/or the president.			
Meeting Fees incl. President and Deputy President Allowance	53,560	53,560	52,000
Councillor Conferences	12,731	12,731	12,360
Travelling, Childcare and Communication Expenses	7,957	7,957	7,725
	74,248	74,248	72,085
	74,248	74,248	72,085

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

**15. NOTES TO THE CASH FLOW STATEMENT**

**(a) Reconciliation of Cash**

For the purposes of the cash flow statement, 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 Amended Budget	2017/18 Adopted Budget	2016/17 Actual
	\$	\$	\$
Cash - Unrestricted	325,000	375,048	1,207,340
Cash - Restricted	2,393,264	2,229,239	3,767,392
	<u>2,718,264</u>	<u>2,604,287</u>	<u>4,974,732</u>

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

**Reserves**

Leave	282,930	282,930	277,595
Plant & Vehicle	601,943	601,943	350,021
Building	316,515	316,516	381,515
Local Organisation Assistance Fund	30,691	30,691	30,112
Aged Housing	619,096	619,096	313,080
Car Parks	0	0	0
Refuse Site	38,314	38,314	37,592
High School Sharing Resource	25,663	25,663	25,179
Public Open Space	242,441	72,441	122,441
River Crossing	65,964	65,964	64,720
Recreation Centre	0	0	0
Swimming Pool	10,532	10,532	10,333
Unspent Loans	0	0	222,526
Prepaid Conditional Grants	25,254	25,254	211,106
Unspent Conditional Grants	133,921	139,896	1,721,171
	<u>2,393,264</u>	<u>2,229,239</u>	<u>3,767,392</u>

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

Net Result	2,460,564	2,171,019	3,403,932
Depreciation	1,889,629	1,655,576	1,565,058
(Profit)/Loss on Sale of Asset	0	0	21,278
(Increase)/Decrease in Receivables	8,977	8,977	0
(Increase)/Decrease in Inventories	0	0	0
Increase/(Decrease) in Payables	(464,799)	(464,799)	0
Increase/(Decrease) in Employee Provisions	0	0	0
Grants/Contributions for the Development of Assets	(2,841,389)	(2,477,670)	(3,269,917)
<b>Net Cash from Operating Activities</b>	<u>1,052,982</u>	<u>893,103</u>	<u>1,720,351</u>

**SHIRE OF BODDINGTON**  
**AMENDED BUDGET 2017-18**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

	2017/18 Amended Budget \$	2017/18 Adopted Budget \$	2016/17 Actual \$
<b>(c) Undrawn Borrowing Facilities</b>			
<b>Credit Standby Arrangements</b>			
Bank Overdraft limit	500,000	500,000	500,000
Bank Overdraft at Balance Date	0	0	0
Credit Card limit	20,000	55,000	55,000
Credit Card Balance at Balance Date	0	0	0
<b>Total Amount of Credit Available</b>	<u>520,000</u>	<u>555,000</u>	<u>555,000</u>
<b>Loan Facilities</b>			
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>

**16. TRUST FUNDS**

Estimated movements in funds held over which the Municipality has no control do not affect the 2017/18 Budget or Annual Financial Statements as they are not included in consolidated accounts.

**17. MAJOR LAND TRANSACTIONS**

It is not anticipated that any major land transactions will occur in 2017/18.

**18. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS**

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

**AMENDED BUDGET 2017-18**  
**Capital Expenditure Funding Schedule**  
**Notes to and Forming Part of the Budget**  
**For the Year Ended 30 June 2018**

Item	Budget	Grants	Reserve	Muni	Sales	Total
Roads	601,500	415,830	-	185,670		601,500
Reseals	260,000	91,650	4,708	163,642		260,000
Bridges & Culverts	282,000	282,000	-	-		282,000
Urban Drainage	-	-	-	-		-
Footpaths/Kerb & channel	41,856	-	-	41,856		41,856
Streetscape	111,635	-	71,635	40,000		111,635
Car Parks	100,000	-	-	100,000		100,000
Ovals & Parks	10,000	-	-	10,000		10,000
Waste Services	30,000	-	-	30,000		30,000
Other infrastructure	354,470	78,900	256,670	18,900		354,470
Drought proofing/Swimming Pool	15,000	-	-	15,000		15,000
Information Systems	35,000	-	-	35,000		35,000
Office Furniture & Equipment	15,000	-	-	15,000		15,000
Land	-	-	-	-		-
Buildings	146,759	-	65,000	81,759	-	146,759
Recreation Centre	42,526	-	122,526	80,000		42,526
Independent Living Complex	2,282,881	1,129,500	1,139,881	13,500		2,282,881
Visitor Centre	155,000	56,000	-	99,000		155,000
Buildings - Staff Housing	280,000	-	-	280,000	-	280,000
DFES Buildings	-	-	-	-		-
Plant & equipment	170,000	-	50,000	120,000		170,000
DFES Plant	508,819	508,819	-	-		508,819
Light Towers/Water to oval	346,349	258,690	-	87,659		346,349
Strategic Items	141,500	20,000	10,000	111,500		141,500
<b>TOTAL</b>	<b>5,930,295</b>	<b>2,841,389</b>	<b>1,720,420</b>	<b>1,368,486</b>	<b>-</b>	<b>5,930,295</b>

**Councillor Discretion funding** **121,500**

Strategic Items (costings) - estimates only	GRANT	COST
Skatepark & Pump track (1st of 2 years)	-	25,000
Nature playground (1st of 2 years)	-	-
Foreshore Landscape/Design		10,000
Fencing for dog park		7,500
Flying fox		-
Showcase for local art		40,000
Drinking fountains (6)		12,000
Indoor volley ball (Recreation centre)		5,000
Dementia house unit (modifications) + Community Club modifications		2,000
Outdoor exercise equipment	20,000	40,000
	<b>20,000</b>	<b>141,500</b>