

CITY OF KWINANA

BUDGET

FOR THE YEAR ENDED 30 JUNE 2022

LOCAL GOVERNMENT ACT 1995

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CITY'S VISION

A unique and liveable City, celebrated for and connected by its diverse community, natural beauty and economic opportunities.

CITY OF KWINANA
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
Revenue				
Rates	1(a)	42,663,528	40,893,364	39,933,543
Operating grants, subsidies and contributions	10(a)	7,101,622	6,419,970	6,617,653
Fees and charges	9	13,077,409	12,815,731	11,913,171
Interest earnings	12(a)	694,600	777,787	1,220,577
Other revenue	12(b)	448,580	1,172,962	709,222
		63,985,739	62,079,814	60,394,166
Expenses				
Employee costs		(27,892,254)	(26,354,211)	(28,033,854)
Materials and contracts		(26,127,651)	(25,338,982)	(27,604,630)
Utility charges		(2,712,312)	(2,539,706)	(2,557,908)
Depreciation on non-current assets	5	(16,305,054)	(16,043,982)	(14,691,676)
Interest expenses	12(d)	(834,101)	(967,753)	(987,579)
Insurance expenses		(613,769)	(584,360)	(583,736)
Other expenditure		(363,550)	(410,641)	(446,888)
		(74,848,691)	(72,239,635)	(74,906,271)
Subtotal		(10,862,952)	(10,159,821)	(14,512,105)
Non-operating grants, subsidies and contributions	10(b)	17,515,755	3,050,950	13,434,461
Profit on asset disposals	4(b)	1,767	80,684	124,510
Loss on asset disposals	4(b)	(37,879)	(19,814)	(83,085)
Loss on revaluation of non current assets		0	(79,255)	0
		17,479,643	3,032,565	13,475,886
Net result		6,616,691	(7,127,256)	(1,036,219)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		6,616,691	(7,127,256)	(1,036,219)

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

BASIS OF PREPARATION

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

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

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

Accounting policies which have been adopted in the preparation of this budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the budget has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

THE LOCAL GOVERNMENT REPORTING ENTITY

All funds through which the City of Kwinana 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 14 to the budget.

2020/21 ACTUAL BALANCES

Balances shown in this budget as 2020/21 Actual are estimates as forecast at the time of budget preparation and are subject to final adjustments.

CHANGE IN ACCOUNTING POLICIES

On the 1 July 2021 no new accounting policies are to be adopted and no new policies are expected to impact the annual budget.

KEY TERMS AND DEFINITIONS - NATURE OR TYPE

REVENUES

RATES

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

SERVICE CHARGES

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

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

PROFIT ON ASSET DISPOSAL

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

REVENUES (CONTINUED)

OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

NON-OPERATING GRANTS, SUBSIDIES AND CONTRIBUTIONS

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

FEES AND CHARGES

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

INTEREST EARNINGS

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

OTHER REVENUE / INCOME

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

EXPENSES

EMPLOYEE COSTS

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

MATERIALS AND CONTRACTS

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

UTILITIES (GAS, ELECTRICITY, WATER, ETC.)

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

INSURANCE

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

LOSS ON ASSET DISPOSAL

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

DEPRECIATION ON NON-CURRENT ASSETS

Depreciation and amortisation expense raised on all classes of assets.

INTEREST EXPENSES

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

OTHER EXPENDITURE

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

CITY OF KWINANA
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
Revenue	1,9,10(a),12(a),12(b)	\$	\$	\$
Governance		16,368	251,258	69,728
General purpose funding		45,534,854	42,912,129	42,182,728
Law, order, public safety		506,788	513,568	388,050
Health		166,890	147,170	117,705
Education and welfare		6,352,795	6,313,921	7,115,493
Community amenities		6,451,590	6,687,896	5,884,872
Recreation and culture		3,021,907	2,626,831	2,547,762
Transport		332,200	329,525	330,000
Economic services		1,419,018	1,837,084	1,308,015
Other property and services		183,329	460,432	449,813
		63,985,739	62,079,814	60,394,166
Expenses excluding finance costs	4(a),5,12(c)(e)(f)(g)			
Governance		(3,442,645)	(3,571,304)	(4,117,231)
General purpose funding		(919,472)	(906,514)	(981,665)
Law, order, public safety		(3,223,566)	(3,075,870)	(3,257,074)
Health		(1,012,189)	(915,789)	(931,464)
Education and welfare		(10,277,664)	(10,077,198)	(11,124,719)
Community amenities		(10,369,007)	(9,599,948)	(10,967,514)
Recreation and culture		(22,248,784)	(22,024,230)	(21,263,137)
Transport		(17,147,003)	(15,810,047)	(15,406,121)
Economic services		(2,144,453)	(1,602,649)	(1,875,875)
Other property and services		(3,229,807)	(3,688,333)	(3,993,892)
		(74,014,590)	(71,271,882)	(73,918,692)
Finance costs	7,6(a),12(d)			
Governance		(33,045)	(41,775)	(52,164)
Education and welfare		(64,329)	(73,800)	(74,362)
Recreation and culture		(659,216)	(720,985)	(729,860)
Transport		(77,511)	(131,193)	(131,193)
		(834,101)	(967,753)	(987,579)
Subtotal		(10,862,952)	(10,159,821)	(14,512,105)
Non-operating grants, subsidies and contributions	10(b)	17,515,755	3,050,950	13,434,461
Profit on disposal of assets	4(b)	1,767	80,684	124,510
(Loss) on disposal of assets	4(b)	(37,879)	(19,814)	(83,085)
Loss on revaluation of non current assets		0	(79,255)	0
		17,479,643	3,032,565	13,475,886
Net result		6,616,691	(7,127,256)	(1,036,219)
Other comprehensive income				
Changes on revaluation of non-current assets		0	0	0
Total other comprehensive income		0	0	0
Total comprehensive income		6,616,691	(7,127,256)	(1,036,219)

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

KEY TERMS AND DEFINITIONS - REPORTING PROGRAMS

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

OBJECTIVE

ACTIVITIES

GOVERNANCE

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

Members of Council & Governance (includes Audit & other costs associated with reporting to council). Administration, Financial and Information Technology Services are included.

GENERAL PURPOSE FUNDING

To collect revenue to allow for the provision of services.

Rates Income and Expenditure, Grants Commission and Pensioner Deferred Rates interest and interest on investments.

LAW, ORDER, PUBLIC SAFETY

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

Supervision of various local laws, fire prevention and animal control.

HEALTH

To provide an operational framework for environmental and community health.

Prevention and treatment of human illnesses, including inspection of premises/food control, immunisation and child health services.

EDUCATION AND WELFARE

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

Provision, management and support of services for families, children and the aged and disabled within the community; including pre-school playgroups, day and after school care, assistance to schools, and senior citizens support groups.

COMMUNITY AMENITIES

To provide services required by the community.

City planning and development, rubbish collection services, storm water drainage, the provision of public conveniences, bus shelters, roadside furniture and litter control.

RECREATION AND CULTURE

To establish and effectively manage infrastructure and resources which will help the social wellbeing of the community.

Provision of facilities and support for organisations concerned with leisure time activities and sport, support for the performing and creative arts and the preservation of the national estate. This includes maintenance of halls, aquatic centre, recreation and community centres, parks, gardens, sports grounds and the operation of Libraries.

TRANSPORT

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

Construction, maintenance and cleaning of streets, roads, bridges, drainage works, footpaths, parking facilities, traffic signs and the City depot, including plant purchase and maintenance.

ECONOMIC SERVICES

To help promote the City and its economic wellbeing.

Tourism and area promotion, rural services and pest control and the implementation of building controls.

OTHER PROPERTY AND SERVICES

To monitor and control the City's overhead operating accounts.

Private works, public works overheads, City plant operations, materials, salaries and wages. With the exception of private works, the above activities listed are mainly summaries of costs that are allocated to all works and services undertaken by the City.

CITY OF KWINANA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		43,163,528	41,336,644	41,633,543
Operating grants, subsidies and contributions		6,176,799	6,162,998	209,359
Fees and charges		12,914,894	12,815,731	11,913,171
Interest received		694,600	777,787	1,220,577
Other revenue		448,580	1,172,962	709,222
		63,398,401	62,266,122	55,685,872
Payments				
Employee costs		(27,892,254)	(26,354,211)	(28,033,854)
Materials and contracts		(26,166,496)	(26,400,235)	(27,504,630)
Utility charges		(2,712,312)	(2,539,706)	(2,557,908)
Interest expenses		(834,101)	(967,753)	(987,579)
Insurance paid		(613,769)	(584,360)	(583,736)
Other expenditure		(363,550)	(410,641)	(446,888)
		(58,582,482)	(57,256,906)	(60,114,595)
Net cash provided by (used in) operating activities	3	4,815,919	5,009,216	(4,428,723)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for purchase of intangible assets		(1,407,909)	(1,369,956)	(622,809)
Payments for purchase of property, plant & equipment	4(a)	(8,014,468)	(2,626,219)	(7,575,835)
Payments for construction of infrastructure	4(a)	(16,806,940)	(5,202,991)	(10,923,191)
Non-operating grants, subsidies and contributions		15,838,407	9,126,943	13,434,461
Proceeds from sale of plant and equipment	4(b)	943,425	464,782	473,350
Proceeds on financial assets at amortised cost - self supporting loans	6(a)	17,847	17,268	17,268
Net cash provided by (used in) investing activities		(9,429,638)	409,827	(5,196,756)
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(4,601,930)	(1,889,259)	(6,889,258)
Principal elements of lease payments	7	(176,055)	(148,769)	(229,206)
Proceeds on disposal of financial assets at amortised cost - term deposits		6,991,704	(28,052,041)	12,183,943
Proceeds from new borrowings	6(a)	2,500,000	0	5,000,000
Net cash provided by (used in) financing activities		4,713,719	(30,090,069)	10,065,479
Net increase (decrease) in cash held		100,000	(24,671,026)	440,000
Cash at beginning of year		800,000	25,471,026	1,020,000
Cash and cash equivalents at the end of the year	3	900,000	800,000	1,460,000

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

CITY OF KWINANA
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	2(a)	500,000	2,833,954	1,360,000
		500,000	2,833,954	1,360,000
Revenue from operating activities (excluding rates)				
Governance		16,368	251,258	78,904
General purpose funding		2,871,326	2,018,765	2,249,185
Law, order, public safety		506,788	522,432	401,662
Health		166,890	149,615	117,705
Education and welfare		6,352,795	6,313,921	7,119,907
Community amenities		6,451,590	6,700,632	5,899,455
Recreation and culture		3,021,907	2,626,831	2,547,762
Transport		332,200	329,525	330,000
Economic services		1,419,018	1,839,557	1,312,816
Other property and services		185,096	514,598	527,737
		21,323,978	21,267,134	20,585,133
Expenditure from operating activities				
Governance		(3,477,775)	(3,624,020)	(4,174,355)
General purpose funding		(919,472)	(906,514)	(981,665)
Law, order, public safety		(3,226,391)	(3,075,870)	(3,259,022)
Health		(1,014,273)	(915,789)	(931,464)
Education and welfare		(10,341,993)	(10,150,998)	(11,199,081)
Community amenities		(10,373,632)	(9,599,948)	(10,967,514)
Recreation and culture		(22,914,361)	(22,748,971)	(21,992,997)
Transport		(17,224,514)	(15,941,240)	(15,537,314)
Economic services		(2,144,453)	(1,602,649)	(1,875,875)
Other property and services		(3,249,706)	(3,772,705)	(4,070,069)
		(74,886,570)	(72,338,704)	(74,989,356)
Non-cash amounts excluded from operating activities	2(b)	16,317,966	15,938,580	8,241,957
Amount attributable to operating activities		(36,744,626)	(32,299,036)	(44,802,266)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		17,515,755	3,050,950	13,434,461
Payments for intangibles	4 (a)	(1,407,909)	(1,369,956)	(622,809)
Payments for property, plant and equipment	4(a)	(8,014,468)	(2,626,219)	(7,575,835)
Payments for construction of infrastructure	4(a)	(16,806,940)	(5,202,991)	(10,923,191)
Proceeds from disposal of assets	4(b)	943,425	464,782	473,350
Proceeds from financial assets at amortised cost - self supporting loans	6(a)	17,847	17,268	17,268
		(7,752,290)	(5,666,166)	(5,196,756)
Non-cash amounts excluded from investing activities	2(c)	(2,880,331)	6,199,780	0
Amount attributable to investing activities		(10,632,621)	533,614	(5,196,756)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(4,601,930)	(1,889,259)	(6,889,258)
Principal elements of finance lease payments	7	(176,055)	(148,769)	(229,206)
Proceeds from new borrowings	6(a)	2,500,000	0	5,000,000
Transfers to cash backed reserves (restricted assets)	8(a)	(14,818,299)	(13,947,875)	(8,215,624)
Transfers from cash backed reserves (restricted assets)	8(a)	21,810,003	7,357,961	20,399,567
Amount attributable to financing activities		4,713,719	(8,627,942)	10,065,479
Budgeted deficiency before imposition of general rates		(42,663,528)	(40,393,364)	(39,933,543)
Estimated amount to be raised from general rates	1	42,663,528	40,893,364	39,933,543
Net current assets at end of financial year - surplus/(deficit)	2(a)	0	500,000	0

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

CITY OF KWINANA
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2022

	NOTE	2021/22 Budget	2020/21 Actual	2020/21 Budget
		\$	\$	\$
OPERATING ACTIVITIES				
Net current assets at start of financial year - surplus/(deficit)	2	500,000	2,833,954	1,360,000
		500,000	2,833,954	1,360,000
Revenue from operating activities (excluding rates)				
Operating grants, subsidies and contributions	10(a)	7,101,622	6,419,970	6,617,653
Fees and charges	9	13,077,409	12,815,731	11,913,171
Interest earnings	12(a)	694,600	777,787	1,220,577
Other revenue	12(b)	448,580	1,172,962	709,222
Profit on asset disposals	4(b)	1,767	80,684	124,510
		21,323,978	21,267,134	20,585,133
Expenditure from operating activities				
Employee costs		(27,892,254)	(26,354,211)	(28,033,854)
Materials and contracts		(26,127,651)	(25,338,982)	(27,604,630)
Utility charges		(2,712,312)	(2,539,706)	(2,557,908)
Depreciation on non-current assets	5	(16,305,054)	(16,043,982)	(14,691,676)
Interest expenses	12(d)	(834,101)	(967,753)	(987,579)
Insurance expenses		(613,769)	(584,360)	(583,736)
Other expenditure		(363,550)	(410,641)	(446,888)
Loss on asset disposals	4(b)	(37,879)	(19,814)	(83,085)
Loss on revaluation of non current assets		0	(79,255)	0
		(74,886,570)	(72,338,704)	(74,989,356)
Non-cash amounts excluded from operating activities	2(b)	16,317,966	15,938,580	8,241,957
Amount attributable to operating activities		(36,744,626)	(32,299,036)	(44,802,266)
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions	10(b)	17,515,755	3,050,950	13,434,461
Payments for intangibles	4(a)	(1,407,909)	(1,369,956)	(622,809)
Payments for property, plant and equipment	4(a)	(8,014,468)	(2,626,219)	(7,575,835)
Payments for construction of infrastructure	4(a)	(16,806,940)	(5,202,991)	(10,923,191)
Proceeds from disposal of assets	4(b)	943,425	464,782	473,350
Proceeds from financial assets at amortised cost - self supporting loans	6(a)	17,847	17,268	17,268
Amount attributable to investing activities		(7,752,290)	(5,666,166)	(5,196,756)
Non-cash amounts excluded from investing activities	2(c)	(2,880,331)	6,199,780	0
Amount attributable to investing activities		(10,632,621)	533,614	(5,196,756)
FINANCING ACTIVITIES				
Repayment of borrowings	6(a)	(4,601,930)	(1,889,259)	(6,889,258)
Principal elements of finance lease payments	7	(176,055)	(148,769)	(229,206)
Proceeds from new borrowings	6(b)	2,500,000	0	5,000,000
Transfers to cash backed reserves (restricted assets)	8(a)	(14,818,299)	(13,947,875)	(8,215,624)
Transfers from cash backed reserves (restricted assets)	8(a)	21,810,003	7,357,961	20,399,567
Amount attributable to financing activities		4,713,719	(8,627,942)	10,065,479
Budgeted deficiency before general rates		(42,663,528)	(40,393,364)	(39,933,543)
Estimated amount to be raised from general rates	1(a)	42,663,528	40,893,364	39,933,543
Net current assets at end of financial year - surplus/(deficit)	2	0	500,000	0

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

CITY OF KWINANA
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FOR THE YEAR ENDED 30 JUNE 2022

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CITY OF KWINANA
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022

1. RATES

(a) Rating Information

RATE TYPE	Rate in	Number of properties	Rateable value	2021/22 Budgeted rate revenue	2021/22 Budgeted interim rates	2021/22 Budgeted back rates	2021/22 Budgeted total revenue	2020/21 Actual total revenue	2020/21 Budget total revenue
	\$		\$	\$	\$	\$	\$	\$	\$
Differential general rate or general rate									
Gross rental valuations									
Improved Residential	0.09858	13,396	201,117,436	19,826,157	800,000		20,626,157	19,351,557	19,422,078
Improved Special Residential	0.09265	828	16,910,288	1,566,738			1,566,738	1,484,716	1,475,451
Improved Commercial and Indus	0.09834	507	110,701,416	10,886,377			10,886,377	10,858,140	10,066,360
Vacant Residential	0.17693	402	7,128,650	1,261,272			1,261,272	1,224,161	1,225,597
Vacant Non Residential	0.14788	40	3,081,550	455,700			455,700	435,601	361,444
Unimproved valuations									
General Industrial	0.01839	3	121,200,000	2,228,868			2,228,868	2,185,236	2,185,236
Mining and Industrial	0.00885	25	39,960,000	353,646			353,646	346,853	346,853
Rural	0.00530	141	237,545,000	1,258,989			1,258,989	1,134,897	1,084,356
Sub-Totals		15,342	737,644,340	37,837,747	800,000	0	38,637,747	37,021,161	36,167,375
Minimum									
Minimum payment									
\$									
Gross rental valuations									
Improved Residential	1,083	2,475	24,290,188	2,680,425			2,680,425	2,627,282	2,623,140
Improved Special Residential	1,083	5	55,120	5,415			5,415	7,434	7,434
Improved Commercial and Indus	1,410	64	590,287	90,240			90,240	88,448	81,538
Vacant Residential	1,083	1,061	4,933,055	1,149,063			1,149,063	1,050,498	964,296
Vacant Non Residential	1,083	8	14,320	8,664			8,664	8,045	3,186
Unimproved valuations									
General Industrial		0	0				0		0
Mining and Industrial	1,410	13	186,694	18,330			18,330	17,657	20,730
Rural	1,083	68	9,680,600	73,644			73,644	72,839	65,844
Sub-Totals		3,694	39,750,264	4,025,781	0	0	4,025,781	3,872,203	3,766,168
Total rates		19,036	777,394,604	41,863,528	800,000	0	42,663,528	40,893,364	39,933,543

All land (other than exempt land) in the City of Kwinana is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV).

The general rates detailed for the 2021/22 financial year have been determined by Council on the basis of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the budget and the estimated revenue to be received from all sources other than rates and also considering the extent of any increase in rating over the level adopted in the previous year.

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

The 2020/2021 actual total revenue in rate category Improved Commercial and Industrial includes 2018/2019 back rates charged to the categories of Light Industrial and Commercial, General Industry and Service Commercial.

1. RATES (CONTINUED)

(b) 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	20/08/2021	\$0.00	0.0%	7.0%
Option two				
First instalment	20/08/2021	\$10.50	3.0%	7.0%
Second instalment	19/01/2022		3.0%	7.0%
Option three				
First instalment	20/08/2021	\$21.00	3.0%	7.0%
Second instalment	22/10/2021		3.0%	7.0%
Third instalment	19/01/2022		3.0%	7.0%
Fourth instalment	21/03/2022		3.0%	7.0%
Option four				
Option four's Direct Debit option is available on a fortnightly deduction cycle	19 fortnightly instalments commencing 20/08/2021	\$0.00	3.0%	7.0%
Option five				
Option five's Direct Debit option is available on a weekly deduction cycle	38 weekly instalments commencing 20/08/2021	\$0.00	3.0%	7.0%

	2021/22 Budget revenue	2020/21 Actual revenue	2020/21 Budget revenue
	\$	\$	\$
Instalment plan admin charge revenue	50,000	0	0
Instalment plan interest earned	140,000	138,533	150,000
Unpaid rates and service charge interest earned	254,400	318,163	249,161
	444,400	456,696	399,161

1. RATES (CONTINUED)

(c) Objectives and Reasons for Differential Rating

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

Differential general rate & minimum payments

Description	Characteristics	Objects	Reasons
Gross Rental Value (GRV)			
Improved Residential	<p>This differential rate category imposes a differential general rate on land valued on a gross rental value basis, which is zoned for the purpose of:</p> <p>(a) Residential under Local Planning Scheme No 2 and is not vacant land, excluding land held or used for Commercial purposes; or</p> <p>(b) Special Residential under Local Planning Scheme No 2 and is not vacant land; or</p> <p>(c) Town Centre Residential under Local Planning Scheme No 3 and is not vacant land; or</p> <p>(d) Kwinana Town Centre under Local Planning Scheme No 2 and is held or used for residential purposes or is residential under an approved Local Structure Plan and is not vacant land; or</p> <p>(e) Development under Local Planning Scheme No 2 and Residential under an approved Local Structure Plan and is not vacant land; or</p> <p>(f) Development under Local Planning Scheme No 2 and Mixed Use under an approved Local Structure Plan and is held or used for residential purposes and is not vacant land.</p>	<p>The object of this rate is to apply a base differential general rate to land zoned and used for residential purposes and to act as the City's benchmark differential rate by which all other GRV rated properties are assessed.</p>	<p>The reason for this rate is to ensure that all ratepayers make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities throughout the City. It is also lower than vacant land as the City is endeavouring to encourage landowners to develop vacant land.</p>

CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
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Improved Special Residential	<p>This differential rate category imposes a differential general rate on land valued on a gross rental value basis, which is:</p> <p>(a) zoned for the purpose of:</p> <p>(i) Special Rural under Local Planning Scheme No 2 and is not vacant land; or</p> <p>(ii) Urban or Urban Deferred under the Metropolitan Region Scheme and is not vacant land; or</p> <p>(iii) Rural A under Local Planning Scheme No 2 and is not vacant land; or</p> <p>(iv) Rural Water Resource under Local Planning Scheme No 2 and is not vacant land; or</p> <p>(v) Rural under the Metropolitan Regional Scheme and is not vacant land; or</p> <p>(vi) Development under Local Planning Scheme No 2 and is not vacant land; or</p> <p>(vii) Park, Recreation and Drainage under Local Planning Scheme No 2 and is not vacant land;</p> <p>or</p> <p>(b) held or used for residential purposes under a Master Plan adopted pursuant to Part 3 of the Hope Valley-Wattleup Redevelopment Act 2000 and is not vacant land; and</p> <p>(c) held or used for residential purposes referred to in paragraphs (a) or (b).</p>	<p>The object of this rate category is to provide a lower differential rate for proposed characteristics under Improved Special Residential a) (i) to (vi) which is consistent with access to and provision of services to residential properties in a rural setting.</p>	<p>The reason for this rate is to reflect the lower demand on City resources, such as, lower impacts on transport infrastructure, when compared to the other GRV differential rating categories. It is also lower than vacant land as the City is endeavouring to encourage landowners to develop vacant land.</p> <p>It must be noted that the Valuer-General provides a discount to the valuation due to these properties not having access to services in residential areas. The City then provides a further discount by applying a reduced rate in the dollar to these properties and therefore these properties receiving a discount in both instances. The intention over the next five years is to harmonise this GRV rating category to ensure that any properties impacted financially will transition over time and not receive a significant financial burden in any one year and that the valuation will be the determining factor in the rates payable.</p>
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CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022

Improved Commercial and Industrial	<p>This differential rate category imposes a differential general rate on land valued on a gross rental value basis, which is:</p> <p>(a) zoned for the purpose of:</p> <p>(i) Light Industry under Local Planning Scheme No 2; or</p> <p>(ii) Commercial under Local Planning Scheme No 2; or</p> <p>(iii) Kwinana Town Centre under Local Planning Scheme No 2 and held or used for Light Industrial or Commercial purposes; or</p> <p>(iv) Mixed Business under Local Planning Scheme No 2; or</p> <p>(v) Special Use under Local Planning Scheme No 2; or</p> <p>(vi) General Town Centre under Local Planning Scheme No 3; or</p> <p>(vii) Shopping/Business under Local Planning Scheme No 3; or</p> <p>(viii) Market Square under Local Planning Scheme No 3; or</p> <p>(ix) Mixed Use under Local Planning Scheme No 2; or</p> <p>(x) Residential under Local Planning Scheme No 2 and held or used for Light Industrial or Commercial purposes; or</p> <p>(xi) Development under the Local Planning Scheme No 2 and Mixed Use or any other purpose referred to in paragraph (a)(i)-(ix) under an approved Local Structure Plan; or</p> <p>(xii) Parks and Recreation under the Metropolitan Regional Scheme; or</p> <p>(xiii) General Industry or Service Commercial under Local Planning Scheme No. 2; or</p> <p>(xiv) Public purposes under Local Planning Scheme No. 2 and held or used for Light Industrial or Commercial purposes; or</p> <p>(xv) Park recreation and drainage under Local Planning Scheme No. 2 and held or used for Light Industrial or Commercial purposes</p> <p>(xvi) Special Rural under Local Planning Scheme No. 2 and held or used for Light Industrial or Commercial purposes</p> <p>(xvii) Industrial use under a Master Plan adopted pursuant to Part 3 of the Hope Valley-Wattleup Redevelopment Act 2000; or</p> <p>(xviii) Railways under the Metropolitan Regional Scheme; or</p> <p>(xix) Port installations under the Metropolitan Regional Scheme; or</p> <p>(xx) Industrial under the Metropolitan Regional Scheme; or</p> <p>(xxi) Rural A under Local Planning Scheme No. 2;</p> <p>and</p> <p>(b) is not vacant land.</p>	<p>The object of this rate category is to apply a higher differential rate so as to raise additional revenue to offset the increased costs associated with service provision to these properties.</p>	<p>The reason for this rate is that a higher differential rate is required to meet the higher level of service costs associated with Commercial and Industrial properties and the localities within which they are situated, including costs of:</p> <p>(a) provision and maintenance of transport and streetscape infrastructure including renewal/refurbishment infrastructure, car parking and traffic treatments; and</p> <p>(b) the management, administration and delivery of marketing activities aimed at enhancing the economic and social viability, and the general amenity of the Kwinana commercial and industrial areas.</p>
Vacant Residential	<p>This differential rate category imposes a differential general rate on land valued on a gross rental value basis, which is vacant land and is zoned for residential uses.</p>	<p>The object of this rate is to promote the development of vacant land within the City's district.</p>	<p>The reason for this rate is to impose a higher differential general rate on vacant land that acts as a disincentive to persons who are land banking and not actively developing vacant residential land.</p>

CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022

Vacant Non Residential	This differential rate category imposes a differential general rate on land valued on a gross rental value basis, which is vacant land and is zoned for any other purposes/uses other than residential.	The object of this rate is to promote the development of vacant land within the City's district.	The reason for this rate is to impose a higher differential general rate on vacant land that acts as a disincentive to persons who are land banking and not actively developing vacant land.
Unimproved Value (UV)			
General Industrial	Zoned for the purpose of General Industry under Local Planning Scheme No 2.	The object of this rate category is to raise additional revenue to offset the costs associated with increased maintenance of infrastructure and higher levels of service provided to or associated with properties in this category.	The reason for this rate is to meet a significant proportion of the additional costs involved in servicing properties within this rate category, which include but are not limited to major outlays for transport infrastructure maintenance and renewal/refurbishment and significant costs relating to monitoring of land use and environmental impacts.
Mining and Industrial	This differential rate category imposes a differential general rate on land valued on an unimproved value (UV) basis, which is: (a) zoned for the purpose of Rural B under Local Planning Scheme No 2; or (b) held or used for industrial, extractive industry or quarrying purposes under a Master Plan adopted pursuant to Part 3 of the Hope Valley-Wattleup Redevelopment Act 2000.	The object of this rate category is to raise additional revenue to offset the costs associated with increased maintenance of infrastructure and higher levels of service provided to properties in this category.	The reason for this rate is the need to offset the higher level of costs associated in servicing these properties, including the costs of transport infrastructure maintenance and renewal/refurbishment, and costs relating to monitoring of land use and environmental impacts.
Rural	This differential rate category imposes a differential general rate on land valued on an unimproved value (UV) basis which is predominantly used or held for rural pursuits, rural industry or intensive agriculture, and: (a) is not zoned for the purpose of General Industry under Local Planning Scheme No 2; or (b) is not zoned for the purpose of Rural B under Local Planning Scheme No 2; or (c) is not held or used for industrial, extractive industry or quarrying purposes under a Master Plan adopted pursuant to Part 3 of the Hope Valley-Wattleup Redevelopment Act 2000.	The object of this rate category is to impose a differential rate commensurate with the rural use of land, which additionally is to act as the City's benchmark differential UV rate and is considered to be the base rate by which all other UV rated properties are assessed.	The reason for this rate is to ensure that all ratepayers on rural land make a reasonable contribution towards the ongoing maintenance and provision of works, services and facilities throughout the City.

(d) Specified Area Rate

The City did not raise specified area rates for the year ended 30th June 2022.

(e) Service Charges

The City did not raise service charges for the year ended 30th June 2022.

(f) Waivers or concessions

The City does not anticipate any waivers or concessions for the year ended 30th June 2022.

CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
2. NET CURRENT ASSETS

(a) Composition of estimated net current assets

Current assets

Cash and cash equivalents- unrestricted	3	900,000	637,485	1,460,000
Cash and cash equivalents - restricted	3	0	162,515	0
Financial assets - unrestricted		337,934	337,337	315,666
Financial assets - restricted	3	54,847,896	61,839,600	43,267,466
Receivables		3,511,982	4,011,982	1,776,075
Contract assets		1,731,667	2,033,027	656,144
Inventories		0	0	32,920

Less: current liabilities

Trade and other payables		(23,118,999)	(23,157,844)	(21,963,408)
Unspent non-operating grant, subsidies and contributions liability		(16,752,676)	(18,141,374)	0
Contract liabilities		(47,043)	(70,243)	0
Lease liabilities	7	(162,433)	(176,055)	(171,310)
Long term borrowings	6	(2,261,964)	(4,601,930)	(1,983,866)
Employee provisions		(5,505,931)	(5,505,931)	(4,902,379)

Net current assets

Less: Total adjustments to net current assets

Net current assets used in the Rate Setting Statement

Note	2021/22 Budget 30 June 2022	2020/21 Actual 30 June 2021	2020/21 Budget 30 June 2021
	\$	\$	\$
	61,329,479	69,021,946	47,508,271
	(47,849,046)	(51,653,377)	(29,020,963)
	13,480,433	17,368,569	18,487,308
2.(d)	(13,480,433)	(16,868,569)	(18,487,308)
	0	500,000	0

2. NET CURRENT ASSETS (CONTINUED)

EXPLANATION OF DIFFERENCE IN NET CURRENT ASSETS AND SURPLUS/(DEFICIT)

Items excluded from calculation of budgeted deficiency

When calculating the budget deficiency for the purpose of Section 6.2 (2)(c) of the *Local Government Act 1995* the following amounts have been excluded as provided by *Local Government (Financial Management) Regulation 32* which will not fund the budgeted expenditure.

(b) Operating activities excluded from budgeted deficiency

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

Adjustments to operating activities

Less: Profit on asset disposals
Less: Share of net profit of associates accounted for using the equity method
Add: Loss on disposal of assets
Add: Depreciation on assets
Movement in current contract liabilities associated with restricted cash
Movement in contract liabilities (non-current)

Non cash amounts excluded from operating activities

Note	2021/22 Budget 30 June 2022	2020/21 Actual 30 June 2021	2020/21 Budget 30 June 2021
	\$	\$	\$
4(b)	(1,767)	(80,684)	(124,510)
	0	79,255	0
4(b)	37,879	19,814	83,085
5	16,305,054	16,043,982	14,691,676
	(23,200)	(123,787)	(146,600)
	0	0	(6,261,694)
	16,317,966	15,938,580	8,241,957

(c) Investing activities excluded from budgeted deficiency

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

Adjustments to investing activities

Movement in non current unspent non-operating grants liability
Movement in current unspent non-operating grants associated with restricted cash

Non cash amounts excluded from investing activities

	(1,654,148)	(1,691,084)	0
	(1,226,183)	7,890,864	0
	(2,880,331)	6,199,780	0

(d) Current assets and liabilities excluded from budgeted deficiency

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

Adjustments to net current assets

Less: Financial assets - restricted
Less: Current assets not expected to be received at end of year
- Current portion of self supporting loans receivable
- Banksia Park DMF Receivable
Add: Current liabilities not expected to be cleared at end of year
- Current portion of borrowings
- Current portion of lease liabilities
- Current portion of unspent non-operating grants, subsidies and contributions held in reserve
- Current portion of contract liabilities held in reserve
- Current portion of prepaid rates
- Banksia Park unit contribution
- Current portion of employee benefit provisions held in reserve

Total adjustments to net current assets

3	(54,847,896)	(61,839,600)	(43,267,466)
	(18,444)	(17,847)	(17,847)
	(319,490)	(319,490)	(297,819)
	2,261,964	4,601,930	1,983,866
	162,433	176,055	171,310
	16,752,676	17,978,859	0
	47,043	70,243	0
	0	0	904,844
	16,975,350	16,975,350	17,133,425
	5,505,931	5,505,931	4,902,379
	(13,480,433)	(16,868,569)	(18,487,308)

SIGNIFICANT ACCOUNTING POLICIES**CURRENT AND NON-CURRENT CLASSIFICATION**

An asset or liability is classified as current if it is expected to be settled within the next 12 months, being the City's operational cycle. In the case of liabilities where the City does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current or non-current based on the City's intentions to release for sale.

TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the City prior to the end of the financial year that are unpaid and arise when the City of Kwinana 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.

PREPAID RATES

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

INVENTORIES**General**

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

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

Superannuation

The City of Kwinana contributes to a number of superannuation funds on behalf of employees.

All funds to which the City of Kwinana contributes are defined contribution plans.

LAND HELD FOR RESALE

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

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

CONTRACT ASSETS

A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.

TRADE AND OTHER RECEIVABLES

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

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

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

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

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

PROVISIONS

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

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

EMPLOYEE BENEFITS**Short-term employee benefits**

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

CONTRACT LIABILITIES

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

CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
3. RECONCILIATION OF CASH

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Estimated cash at the end of the reporting period is as follows:

Note	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Cash at bank and on hand	900,000	800,000	1,460,000
Total cash and cash equivalents	900,000	800,000	1,460,000
Held as			
- Unrestricted cash and cash equivalents	900,000	637,485	1,460,000
- Restricted cash and cash equivalents	0	162,515	0
	900,000	800,000	1,460,000
Restrictions			
The following classes of assets have restrictions imposed by regulations or other externally imposed requirements which limit or direct the purpose for which the resources may be used:			
- Cash and cash equivalents	0	162,515	0
- Restricted financial assets at amortised cost - term deposits	54,847,896	61,839,600	43,267,466
	54,847,896	62,002,115	43,267,466
The restricted assets are a result of the following specific purposes to which the assets may be used:			
Reserves - cash/financial asset backed	8 54,847,896	61,839,600	43,267,466
Contract liabilities from contracts with customers - fees & charges	0	162,515	
	54,847,896	62,002,115	43,267,466
Reconciliation of net cash provided by operating activities to net result			
Net result	6,616,691	(7,127,256)	(1,036,219)
Depreciation	5 16,305,054	16,043,982	14,691,676
(Profit)/loss on sale of asset	4(b) 36,112	(60,870)	(41,425)
Loss on revaluation of non current assets	0	79,255	0
(Increase)/decrease in receivables	500,000	443,280	1,700,000
(Increase)/decrease in contract assets	301,360	(256,972)	0
(Increase)/decrease in inventories	0	37,323	0
Increase/(decrease) in payables	(38,845)	(1,098,576)	100,000
Increase/(decrease) in contract liabilities	(1,388,698)	6,199,780	(6,408,294)
Increase/(decrease) in unspent non-operating grants	(1,677,348)	(123,787)	
Non-operating grants, subsidies and contributions	(15,838,407)	(9,126,943)	(13,434,461)
Net cash from operating activities	4,815,919	5,009,216	(4,428,723)

SIGNIFICANT ACCOUNTING POLICES

CASH AND CASH EQUIVALENTS

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

Bank overdrafts are shown as short term borrowings in current liabilities in Note 2 - Net Current Assets.

FINANCIAL ASSETS AT AMORTISED COST

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

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

CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
4. FIXED ASSETS

(a) Acquisition of Assets

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

Asset class	Reporting program											2021/22 Budget total	2020/21 Actual total	2020/21 Budget total
	Governance	General purpose funding	Law, order, public safety	Health	Education and welfare	Housing	Community amenities	Recreation and culture	Transport	Economic services	Other property and services			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<i>Property, Plant and Equipment</i>														
Buildings - specialised	357,108	0	810,070	0	84,863	0	0	4,317,776	0	17,457	1,157,894	6,745,168	1,260,841	5,231,570
Furniture and equipment	20,000	0	0	0	0	0	0	0	0	0	0	20,000	133,969	1,090,235
Plant and equipment	35,000	0	129,500	66,500	0	0	90,000	57,300	0	0	871,000	1,249,300	1,231,409	1,254,030
	412,108	0	939,570	66,500	84,863	0	90,000	4,375,076	0	17,457	2,028,894	8,014,468	2,626,219	7,575,835
<i>Infrastructure</i>														
Infrastructure - roads	0	0	0	0	0	0	0	0	13,400,396	0	0	13,400,396	3,123,560	3,642,090
Infrastructure - footpaths	0	0	0	0	0	0	0	0	1,251,669	0	0	1,251,669	382,148	191,075
Infrastructure - drainage	0	0	0	0	0	0	0	0	268,278	0	0	268,278	626,683	5,822,737
Infrastructure - car parks	0	0	0	0	0	0	0	0	49,717	0	0	49,717	0	0
Infrastructure - bus shelters	0	0	0	0	0	0	0	0	29,796	0	0	29,796	34,995	36,630
Infrastructure - street lights	0	0	0	0	0	0	0	0	194,192	0	0	194,192	163,497	236,505
Infrastructure - parks & ovals	0	0	0	0	0	0	0	1,612,892	0	0	0	1,612,892	872,108	994,154
	0	0	0	0	0	0	0	1,612,892	15,194,048	0	0	16,806,940	5,202,991	10,923,191
<i>Right of use assets</i>														
Right of use - plant and equipment	94,484	0	0	0	0	0	0	0	0	0	0	94,484	502,496	553,030
	94,484	0	0	0	0	0	0	0	0	0	0	94,484	502,496	553,030
<i>Intangible Assets</i>														
Rehabilitation costs												0		
Intangible assets - computer softwar	1,407,909	0	0	0	0	0	0	0	0	0	0	1,407,909	1,369,956	622,809
	1,407,909	0	0	0	0	0	0	0	0	0	0	1,407,909	1,369,956	622,809
Total acquisitions	1,914,501	0	939,570	66,500	84,863	0	90,000	5,987,968	15,194,048	17,457	2,028,894	26,323,801	9,701,662	19,674,865

A detailed breakdown of disposals on an individual asset basis can be found in the supplementary information attached to this budget document.

SIGNIFICANT ACCOUNTING POLICIES

RECOGNITION OF ASSETS

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

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

CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
4. FIXED ASSETS

(b) Disposals of Assets

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

	2021/22 Budget Net Book Value	2021/22 Budget Sale Proceeds	2021/22 Budget Profit	2021/22 Budget Loss	2020/21 Actual Net Book Value	2020/21 Actual Sale Proceeds	2020/21 Actual Profit	2020/21 Actual Loss	2020/21 Budget Net Book Value	2020/21 Budget Sale Proceeds	2020/21 Budget Profit	2020/21 Budget Loss
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
By Program												
Governance	24,910	22,825	0	(2,085)	91,251	80,310	0	(10,941)	47,084	51,300	9,176	(4,960)
General Purpose Funding		0	0	0		0	0	0		0	0	0
Law, order, public safety	22,825	20,000	0	(2,825)	17,100	25,964	8,864	0	24,336	36,000	13,612	(1,948)
Health	39,759	37,675	0	(2,084)	19,828	22,273	2,445	0	6,386	6,386	0	0
Education and welfare		0	0	0	0	0	0	0		4,414	4,414	0
Housing		0	0	0	0	0	0	0		0	0	0
Community amenities	34,325	29,700	0	(4,625)	53,606	66,342	12,736	0	7,467	22,050	14,583	0
Recreation and culture	72,186	65,825	0	(6,361)	17,256	13,500	0	(3,756)		0	0	0
Transport		0	0	0		0	0	0		0	0	0
Economic services	517,000	517,000	0	0	19,800	22,273	2,473	0	14,999	19,800	4,801	0
Other property and services	268,532	250,400	1,767	(19,899)	185,071	234,120	54,166	(5,117)	331,653	333,400	77,924	(76,177)
	979,537	943,425	1,767	(37,879)	403,912	464,782	80,684	(19,814)	431,925	473,350	124,510	(83,085)
By Class												
<i>Property, Plant and Equipment</i>												
Land - freehold land	517,000	517,000	0	0		0				0		
Plant and equipment	462,537	426,425	1,767	(37,879)	403,912	464,782	80,684	(19,814)	431,925	473,350	124,510	(83,085)
	979,537	943,425	1,767	(37,879)	403,912	464,782	80,684	(19,814)	431,925	473,350	124,510	(83,085)

SIGNIFICANT ACCOUNTING POLICIES

GAINS AND LOSSES ON DISPOSAL

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

5. ASSET DEPRECIATION

By Program

Governance
General purpose funding
Law, order, public safety
Health
Education and welfare
Community amenities
Recreation and culture
Transport
Economic services
Other property and services

By Class

Buildings - specialised
Furniture and equipment
Plant and equipment
Infrastructure - roads
Infrastructure - footpaths
Infrastructure - drainage
Infrastructure - car parks
Infrastructure - bus shelters
Infrastructure - street lights
Infrastructure - parks & ovals
Infrastructure - other
Right of use - plant and equipment

2021/22 Budget	2020/21 Actual	2020/21 Budget
\$	\$	\$
527,580	573,545	588,856
0	1,083	0
219,516	222,923	224,044
32,736	27,518	15,214
1,534,186	1,536,275	1,534,780
79,908	79,303	98,043
5,151,320	4,983,499	4,770,653
8,149,068	8,020,153	6,730,454
27,240	25,613	25,573
583,500	574,070	704,059
16,305,054	16,043,982	14,691,676
4,764,552	4,594,945	4,526,249
224,616	218,852	214,173
813,288	803,564	1,008,203
6,420,073	6,393,769	5,037,719
601,693	596,856	589,746
663,464	605,122	616,053
348,713	348,713	348,651
47,206	45,748	45,876
71,701	66,063	66,313
2,074,912	2,144,839	1,910,466
98,022	98,022	98,354
176,814	127,489	229,873
16,305,054	16,043,982	14,691,676

SIGNIFICANT ACCOUNTING POLICIES

DEPRECIATION

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

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

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

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

Buildings - specialised	2 to 100 years
Furniture and equipment	2 to 15 years
Plant and equipment	3 to 20 years
Infrastructure - roads	0 to 80 years
Infrastructure - footpaths	40 to 80 years
Infrastructure - drainage	80 years
Infrastructure - car parks	5 to 20 years
Infrastructure - bus shelters	20 to 25 Years
Infrastructure - street lights	15 to 30 Years
Infrastructure - parks & ovals	10 to 50 Years
Infrastructure - other	30 to 40 Years
Right of use - plant and equipment	Based on the remaining lease

AMORTISATION

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

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

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

CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
6. INFORMATION ON BORROWINGS

(a) Borrowing repayments

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

Purpose	Loan Number	Institution	Interest Rate	Budget	2021/22	2021/22	Budget	2021/22	Actual	2020/21	2020/21	Actual	2020/21	Budget	2020/21	2020/21	Budget	2020/21
				Principal 1 July 2021	Budget New Loans	Budget Principal Repayments	Principal outstanding 30 June 2022	Budget Interest Repayments		Principal 1 July 2020	Actual New Loans	Actual Principal Repayments	Principal outstanding 30 June 2021		Actual Interest Repayments	Principal 1 July 2020	Budget New Loans	Budget Principal Repayments
				\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Governance																		
Administration Office Renovations	99	WATC	6.3%	474,796		(107,976)	366,820	(31,413)	576,328	0	(101,532)	474,796	(38,476)	576,328	0	(101,532)	474,796	(38,476)
Short Term Lending Facility	TBA	WATC	0.4%	0	0	0	0	0	0	0	0	0	0	5,000,000	(5,000,000)	0	0	(11,371)
Education and welfare																		
Youth Specific Space	96	WATC	7.5%	65,755		(31,663)	34,092	(4,855)	95,162	0	(29,407)	65,755	(7,290)	95,162	0	(29,407)	65,755	(7,290)
Youth Specific Space Stage 2	100	WATC	4.7%	1,136,129		(140,713)	995,416	(59,110)	1,270,494	0	(134,365)	1,136,129	(66,272)	1,270,494	0	(134,365)	1,136,129	(66,272)
Recreation and culture																		
Wellard Sports Pavilion	94	WATC	6.4%	56,127		(56,126)	1	(2,841)	108,836	0	(52,709)	56,127	(6,728)	108,836	0	(52,709)	56,127	(6,728)
Orelia Oval Pavilion	95	WATC	7.5%	157,814		(75,991)	81,823	(11,652)	228,390	0	(70,576)	157,814	(17,497)	228,389	0	(70,576)	157,813	(17,497)
Orelia Oval Pavilion Stage 2	97	WATC	6.3%	1,050,584		(238,920)	811,664	(69,508)	1,275,244	0	(224,660)	1,050,584	(85,135)	1,275,244	0	(224,660)	1,050,584	(85,135)
Library & Resource Centre	102	WATC	4.5%	6,191,171		(657,885)	5,533,286	(315,089)	6,820,176	0	(629,005)	6,191,171	(347,778)	6,820,176	0	(629,005)	6,191,171	(347,778)
Recquatic Refurbishment	104	WATC	4.1%	3,072,151		(289,216)	2,782,935	(142,512)	3,350,000	0	(277,849)	3,072,151	(155,846)	3,350,000	0	(277,849)	3,072,151	(155,846)
Bertram Community Centre	105	WATC	3.3%	1,156,742		(116,232)	1,040,510	(43,760)	1,269,272	0	(112,530)	1,156,742	(48,147)	1,269,272	0	(112,530)	1,156,742	(48,147)
Calista Destination Park	106	WATC	3.1%	1,218,976		(105,528)	1,113,448	(45,790)	1,321,267	0	(102,291)	1,218,976	(49,749)	1,321,267	0	(102,291)	1,218,976	(49,749)
Transport																		
Industrial Area Streetscape	98	WATC	6.3%	640,978		(145,768)	495,210	(42,417)	778,044	0	(137,066)	640,978	(51,943)	778,044	0	(137,066)	640,978	(51,943)
City Centre Redevelopment Interest Only	101	WATC	2.5%	2,500,000		(2,500,000)	0	(35,094)	2,500,000	0	0	2,500,000	(79,250)	2,500,000	0	0	2,500,000	(79,250)
City Centre Redevelopment	TBA	WATC	1.2%	0	2,500,000	(118,065)	2,381,935	(14,911)	0	0	0	0	0	0	0	0	0	0
				17,721,223	2,500,000	(4,584,083)	15,637,140	(818,952)	19,593,213	0	(1,871,990)	17,721,223	(954,111)	19,593,212	5,000,000	(6,871,990)	17,721,222	(965,482)
Self Supporting Loans																		
Recreation and culture																		
Kwinana Golf Club Refurbishment	103B	WATC	0.0332	232,703	0	(17,847)	214,856	(9,169)	249,972	0	(17,269)	232,703	(9,869)	249,973	0	(17,268)	232,705	(9,869)
				232,703	0	(17,847)	214,856	(9,169)	249,972	0	(17,269)	232,703	(9,869)	249,973	0	(17,268)	232,705	(9,869)
				17,953,926	2,500,000	(4,601,930)	15,851,996	(828,121)	19,843,185	0	(1,889,259)	17,953,926	(963,980)	19,843,185	5,000,000	(6,889,258)	17,953,927	(975,351)
Share of Southern Metropolitan Regional Council (SMRC) loan				0	0	0	0	0	425,520	0	0	0	0	258,120	0	0	258,120	0
				17,953,926	2,500,000	(4,601,930)	15,851,996	(828,121)	20,268,705	0	(1,889,259)	17,953,926	(963,980)	20,101,305	5,000,000	(6,889,258)	18,212,047	(975,351)

* WATC = WA Treasury Corporation

All borrowing repayments, other than self supporting loans, will be financed by general purpose revenue.

The self supporting loan(s) repayment will be fully reimbursed.

The City is exiting the Southern Metropolitan Regional Council (SMRC) as at 30 June 2021.

CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
6. INFORMATION ON BORROWINGS

(b) New borrowings - 2021/22

Particulars/Purpose	Institution	Institution	Loan type	Term (years)	Interest rate	Amount borrowed budget	Total interest & charges	Amount used budget	Balance unspent
Refinancing City Centre Redevelopment loan to Principal plus interest repayments		WATC	Debenture	10	1.2%	\$ 2,500,000	\$ 159,516	\$ 2,500,000	\$ 0
						2,500,000	159,516	2,500,000	0

(c) Unspent borrowings

The City had no unspent borrowing funds as at 30th June 2021 nor is it expected to have unspent borrowing funds as at 30th June 2022.

(d) Credit Facilities

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Undrawn borrowing facilities credit standby arrangements			
Bank overdraft limit	0	0	0
Bank overdraft at balance date	0	0	0
Credit card limit	127,000	127,000	86,000
Credit card balance at balance date	(20,000)	(20,000)	(40,000)
Total amount of credit unused	107,000	107,000	46,000
Loan facilities			
Loan facilities in use at balance date	15,851,996	17,953,926	17,953,927
Share of Southern Metropolitan Regional Council (SMRC) loan	0	0	258,120

SIGNIFICANT ACCOUNTING POLICIES

BORROWING COSTS

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

CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022
7. LEASE LIABILITIES

Purpose	Lease Number	Institution	Lease Interest Rate	Lease Term	Budget Lease	2021/22 Budget	Budget Lease	2021/22 Budget	Actual Principal	2020/21 Actual	Actual Lease	2020/21 Actual	Budget Principal	2020/21 Budget	Budget Lease	Budget Lease	2020/21 Budget	2020/21 Budget	
					Principal 1 July 2021	New Leases	Principal outstanding 30 June 2022	Lease Repayments		Principal 1 July 2020	New Leases	Principal repayments	Principal outstanding 30 June 2021	Lease repayments	Principal 1 July 2020	New Leases	Principal repayments	Principal outstanding 30 June 2021	Lease repayments
					\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
Governance																			
Computing infrastructure	E6N0160168	Alleasing	2.0%	48	0	0	0	0	57,708	0	(57,708)	0	(723)	57,708	0	(57,708)	0	(723)	
Computing infrastructure	E6N0160185	Alleasing	2.0%	60	10,604	0	(10,604)	0	(133)	20,999	0	(10,395)	10,604	(342)	20,999	0	(10,395)	10,604	(342)
Photocopiers / equipment	5389066248AUS1	Kyocera	3.7%	48	21,765	0	(21,765)	0	(399)	44,694	0	(22,929)	21,765	(1,250)	44,694	0	(22,928)	21,766	(1,252)
Photocopiers / equipment	E6N0162743	Maia	1.8%	60	34,709	0	(11,139)	23,570	(561)	45,659	0	(10,950)	34,709	(750)	0	0	0	0	0
Photocopiers / equipment	5389066248AUS3	HP Financial Services	4.2%	36	15,706	0	(5,880)	9,826	(544)	0	18,147	(2,441)	15,706	(235)	0	0	0	0	0
Photocopiers / equipment	TBA	TBA	1.2%	48	0	94,484	(2,015)	92,469	0	0	0	0	0	0	0	0	0	0	0
Education and welfare																			
Bright Futures vehicle	1EYT548	Toyota Fleet	2.0%	60	0	0	0	0	2,537	0	(2,537)	0	(17)	2,537	0	(2,537)	0	(17)	
Bright Futures vehicle		Not required	2.2%	60	0	0	0	0	0	0	0	0	0	0	34,061	(2,700)	31,361	(300)	
Youth Services vehicle	1EQZ823	Easifleet	2.0%	60	0	0	0	0	2,872	0	(2,872)	0	(12)	2,872	0	(2,872)	0	(12)	
Youth Services vehicle	1HFE114	Toyota Finance	2.2%	60	30,274	0	(6,576)	23,698	(354)	0	33,530	(3,256)	30,274	(209)	0	34,061	(4,329)	29,732	(471)
Recreation and culture																			
Gym equipment	TBA	TBA	2.8%	48	422,103	0	(110,992)	311,111	(3,873)	0	450,819	(28,716)	422,103	0	0	484,908	(118,773)	366,135	(8,875)
Nilfisk floor scrubber	3510183300688	Nilfisk	1.7%	36	10,071	0	(7,084)	2,987	(116)	17,036	0	(6,965)	10,071	(235)	17,036	0	(6,964)	10,072	(236)
					545,232	94,484	(176,055)	463,661	(5,980)	191,505	502,496	(148,769)	545,232	(3,773)	145,846	553,030	(229,206)	469,670	(12,228)

SIGNIFICANT ACCOUNTING POLICIES

LEASES

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

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

LEASE LIABILITIES

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

CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022

8. CASH BACKED RESERVES

(a) Cash Backed Reserves - Movement

	2021/22 Budget Opening Balance	2021/22 Budget Transfer to	2021/22 Budget Transfer (from)	2021/22 Budget Closing Balance	2020/21 Actual Opening Balance	2020/21 Actual Transfer to	2020/21 Actual Transfer (from)	2020/21 Actual Closing Balance	2020/21 Budget Opening Balance	2020/21 Budget Transfer to	2020/21 Budget Transfer (from)	2020/21 Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Aged Persons Units Reserve	750,755	192,961	(190,000)	753,716	741,044	199,711	(190,000)	750,755	783,736	205,082	(190,000)	798,818
Asset Management Reserve	5,076,987	1,888,517	(3,741,911)	3,223,593	5,163,247	1,786,973	(1,873,233)	5,076,987	5,143,560	151,936	(2,051,059)	3,244,437
Banksia Park Reserve	109,993	129,074	(90,000)	149,067	23,997	222,046	(136,050)	109,993	82,932	175,996	(246,050)	12,878
City Infrastructure Reserve	1,360,527	5,064	(425,000)	940,591	995,255	365,272	0	1,360,527	975,016	11,700	0	986,716
Contiguous Local Authorities Group Reserve	346,951	25,196	(38,800)	333,347	340,995	34,376	(28,420)	346,951	340,368	24,660	(29,508)	335,520
Community Services & Emergency Relief Reserve	249,266	1,720	(200,000)	50,986	265,918	3,348	(20,000)	249,266	263,001	4,084	(250,000)	17,085
Employee Leave Reserve	2,946,683	0	0	2,946,683	2,488,383	458,300	0	2,946,683	1,914,567	0	0	1,914,567
Employee Vacancy Reserve	502,649	2,544	0	505,193	500,233	2,416	0	502,649	500,000	6,000	0	506,000
Family Day Care Reserve	1,185,048	6,020	(64,186)	1,126,882	1,229,903	6,657	(51,512)	1,185,048	1,155,861	13,872	(46,706)	1,123,027
Golf Course Cottage Reserve	29,558	148	0	29,706	29,396	162	0	29,558	29,395	352	0	29,747
Golf Club Maintenance Reserve	8,895	5,048	(5,004)	8,939	8,846	5,053	(5,004)	8,895	8,842	5,112	(5,004)	8,950
Information Technology Reserve	2,470,844	90,680	(1,385,000)	1,176,524	2,597,168	1,642,512	(1,768,836)	2,470,844	2,896,599	34,760	(2,153,806)	777,553
Plant and Equipment Replacement Reserve	235,952	795,880	(768,875)	262,957	430,899	466,896	(661,843)	235,952	422,974	360,426	(754,150)	29,250
Public Arts Reserve	29,900	152	0	30,052	0	29,900	0	29,900	0	0	0	0
Public Open Space Reserve	320,613	0	0	320,613	0	320,613	0	320,613	0	0	0	0
Refuse Reserve	5,557,961	0	(184,178)	5,373,783	5,644,888	0	(86,927)	5,557,961	5,602,888	3,000,000	(3,479,515)	5,123,373
Renewable Energy Efficiency Reserve	34,354	16,707	(9,035)	42,026	34,172	2,217	(2,035)	34,354	34,255	2,447	(2,035)	34,667
Restricted Grants & Contributions Reserve	2,563,731	85,000	(2,163,731)	485,000	2,187,984	2,388,499	(2,012,752)	2,563,731	2,002,464	0	(869,970)	1,132,494
Settlement Agreement Reserve	168,698	856	0	169,554	167,771	927	0	168,698	167,771	2,012	0	169,783
Strategic Property Reserve	0	512,000	0	512,000	0	0	0	0	0	0	0	0
Workers Compensation Reserve	324,723	732	0	325,455	143,928	180,795	0	324,723	143,928	1,728	0	145,656
DCA 1 - Hard Infrastructure - Bertram	1,224,445	505,652	(14,410)	1,715,687	599,722	663,723	(39,000)	1,224,445	625,311	257,504	(713,153)	169,662
DCA 2 - Hard Infrastructure - Wellard	1,803,911	59,012	(14,410)	1,848,513	1,988,294	96,683	(281,066)	1,803,911	2,475,398	29,704	(2,095,316)	409,786
DCA 3 - Hard Infrastructure - Casuarina	0	6,000,000	(5,535,695)	464,305	0	0	0	0	0	3,499,637	(3,472,686)	26,951
DCA 4 - Hard Infrastructure - Anketell	1,201,705	3,205,420	(3,503,055)	904,070	521,489	690,116	(9,900)	1,201,705	540,134	6,484	(23,049)	523,569
DCA 5 - Hard Infrastructure - Wandii	981,945	504,436	(14,410)	1,471,971	427,218	564,627	(9,900)	981,945	442,503	25,312	(460,299)	7,516
DCA 6 - Hard Infrastructure - Mandogalup	563,066	402,564	(14,410)	951,220	274,056	298,910	(9,900)	563,066	397,981	4,776	(23,049)	379,708
DCA 7 - Hard Infrastructure - Mandogalup West/Bertram	40,416	5,224	(14,410)	31,230	18,172	32,144	(9,900)	40,416	18,165	50,220	(23,049)	45,336
DCA 8 - Soft Infrastructure - Mandogalup	1,303,484	205,876	(14,410)	1,494,950	450,501	862,883	(9,900)	1,303,484	477,570	5,732	(24,120)	459,182
DCA 9 - Soft Infrastructure - Wandii/Anketell	12,900,763	63,108	(3,332,613)	9,631,258	11,941,274	1,051,872	(92,383)	12,900,763	11,903,147	142,840	(3,342,323)	8,703,664
DCA 10 - Soft Infrastructure - Casuarina/Anketell	195,571	5,920	(14,410)	187,081	204,182	1,289	(9,900)	195,571	224,815	2,700	(24,120)	203,395
DCA 11 - Soft Infrastructure - Wellard East	6,489,265	34,020	(14,410)	6,508,875	6,152,977	346,188	(9,900)	6,489,265	6,173,510	74,084	(24,120)	6,223,474
DCA 12 - Soft Infrastructure - Wellard West	9,486,283	47,468	(14,410)	9,519,341	8,468,096	1,028,087	(9,900)	9,486,283	8,489,154	101,872	(24,120)	8,566,906
DCA 13 - Soft Infrastructure - Bertram	255,068	6,184	(14,410)	246,842	263,326	1,642	(9,900)	255,068	283,851	3,408	(24,120)	263,139
DCA 14 - Soft Infrastructure - Wellard/Leda	819,500	8,708	(14,410)	813,798	706,921	122,479	(9,900)	819,500	675,213	8,104	(24,120)	659,197
DCA 15 - Soft Infrastructure - Townsite	300,090	6,408	(14,410)	292,088	239,431	70,559	(9,900)	300,090	256,500	3,080	(24,120)	235,460
	61,839,600	14,818,299	(21,810,003)	54,847,896	55,249,686	13,947,875	(7,357,961)	61,839,600	55,451,409	8,215,624	(20,399,567)	43,267,466

CITY OF KWINANA
NOTES TO AND FORMING PART OF THE BUDGET
FOR THE YEAR ENDED 30 JUNE 2022

8. CASH BACKED RESERVES

(b) Cash Backed Reserves - Purposes

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

Reserve name	Anticipated date of use	Purpose of the reserve
Aged Persons Units Reserve	Ongoing	to be used to provide funds for the capital acquisition and maintenance of the Aged Persons Units, Callistemon Court.
Asset Management Reserve	Ongoing	to be used to provide funds for renewal projects for the City's building and infrastructure assets, thereby extending the useful economic life of such assets.
Banksia Park Reserve	Ongoing	to be used to provide funds for the capital acquisitions and maintenance of the Banksia Park Retirement Village.
City Infrastructure Reserve	Ongoing	to be used to fund the City's contributions to community infrastructure projects.
Contiguous Local Authorities Group Reserve	Ongoing	to be used to restrict funds received for the prevention, control and education of mosquito management.
Community Services & Emergency Relief Reserve	Ongoing	to be used to provide funding to alleviate the effect of any disaster within the City of Kwinana boundaries and to provide funds to develop community services.
Employee Leave Reserve	Ongoing	to be used to ensure that adequate funds are available to finance employee leave entitlements.
Employee Vacancy Reserve	Ongoing	to be used to ensure that adequate funds are available to finance employee costs.
Family Day Care Reserve	Ongoing	to be used to provide for the capital acquisitions and maintenance of this facility.
Golf Course Cottage Reserve	Ongoing	to be used to provide funds for the maintenance of this building.
Golf Club Maintenance Reserve	Ongoing	to be used to provide funds for the maintenance of this building.
Information Technology Reserve	Ongoing	to be used for the implementation and maintainance of the City's software requirements.
Plant and Equipment Replacement Reserve	Ongoing	to be used to replace existing fleet, plant and other City assets.
Public Arts Reserve	Ongoing	to be used to receive monies paid as cash in lieu for public art and the provision of public art expenditure under the Local Planning Policy 5.
Public Open Space Reserve	Ongoing	to be used to restrict funds that have been paid in lieu of open space as specified in the <i>Western Australia Planning and Development Act 2005</i> .
Refuse Reserve	Ongoing	to be used to provide funds for the costs and subsidy of Waste Management in the City.
Renewable Energy Efficiency Reserve	Ongoing	to be used to provide funds for renewable energy and water efficiency initiatives.
Restricted Grants & Contributions Reserve	Ongoing	to be used to restrict funds, being city funds, grants and contributions, required to complete projects from prior financial years.
Settlement Agreement Reserve	Ongoing	to be used to provide funds to account for future negotiated settlement agreement payments.
Strategic Property Reserve	Ongoing	to be used to provide funds for future investment opportunities.
Workers Compensation Reserve	Ongoing	to be used to fund workers compensation costs incurred by the City where the maximum contribution amount for a previous year has been reached and there is a claim which remains open and requires the City to pay costs relating to the open claims in the current and future years.
DCA 1 - Hard Infrastructure - Bertram	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 1 - Hard Infrastructure Bertram.
DCA 2 - Hard Infrastructure - Wellard	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 2 - Hard Infrastructure Wellard.
DCA 3 - Hard Infrastructure - Casuarina	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 3 - Hard Infrastructure Casuarina.
DCA 4 - Hard Infrastructure - Anketell	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 4 - Hard Infrastructure Anketell.
DCA 5 - Hard Infrastructure - Wandi	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 5 - Hard Infrastructure Wandi.
DCA 6 - Hard Infrastructure - Mandogalup	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 6 - Hard Infrastructure Mandogalup.
DCA 7 - Hard Infrastructure - Mandogalup West/Bertram	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 7 - Hard Infrastructure Mandogalup West.
DCA 8 - Soft Infrastructure - Mandogalup	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 8 - Soft Infrastructure Mandogalup.
DCA 9 - Soft Infrastructure - Wandi/Anketell	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 9 - Soft Infrastructure Wandi/Anketell.
DCA 10 - Soft Infrastructure - Casuarina/Anketell	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 10 - Soft Infrastructure Casuarina/Anketell.
DCA 11 - Soft Infrastructure - Wellard East	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 11 - Soft Infrastructure Wellard East.
DCA 12 - Soft Infrastructure - Wellard West	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 12 - Soft Infrastructure Wellard West.
DCA 13 - Soft Infrastructure - Bertram	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 13 - Soft Infrastructure Bertram.
DCA 14 - Soft Infrastructure - Wellard/Leda	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 14 - Soft Infrastructure Wellard/Leda.
DCA 15 - Soft Infrastructure - Townsite	Ongoing	to be used to restrict funds received from Developers for contributions towards future infrastructure costs and administrative costs for DCA 15 - Soft Infrastructure City Site.

CITY OF KWINANA
 NOTES TO AND FORMING PART OF THE BUDGET
 FOR THE YEAR ENDED 30 JUNE 2022

9. FEES & CHARGES REVENUE

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
Governance	10,000	17,749	8,810
General purpose funding	115,400	95,795	40,896
Law, order, public safety	198,848	218,256	169,860
Health	122,555	99,999	84,001
Education and welfare	2,144,323	1,832,904	2,012,456
Community amenities	6,382,390	6,282,095	5,848,424
Recreation and culture	2,595,416	2,204,403	2,356,491
Economic services	1,356,980	1,732,982	1,221,291
Other property and services	151,497	331,548	170,942
	13,077,409	12,815,731	11,913,171

10. GRANT REVENUE

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
By Program:			
(a) Operating grants, subsidies and contributions			
General purpose funding	1,981,064	1,072,043	906,754
Law, order, public safety	271,030	243,533	181,180
Health	23,840	37,435	23,504
Education and welfare	4,180,192	4,433,649	5,068,304
Community amenities	53,200	58,108	7,000
Recreation and culture	260,096	245,677	100,911
Transport	332,200	329,525	330,000
	7,101,622	6,419,970	6,617,653
(b) Non-operating grants, subsidies and contributions			
Law, order, public safety	699,600	153,975	704,159
Education and welfare	30,000	30,000	0
Community amenities	12,544,283	521,350	10,321,764
Recreation and culture	849,500	277,500	550,000
Transport	3,392,372	2,061,167	1,858,538
Economic services	0	6,958	0
	17,515,755	3,050,950	13,434,461
Total grants, subsidies and contributions	24,617,377	9,470,920	20,052,114

SIGNIFICANT ACCOUNTING POLICIES

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

Revenue Category	Nature of goods and services	When obligations typically satisfied	Payment terms	Returns/Refunds/Warranties	Determination of transaction price	Allocating transaction price	Measuring obligations for returns	Revenue recognition
Rates	General Rates	Over time	Payment dates adopted by Council during the year	None	Adopted by council annually	When taxable event occurs	Not applicable	When rates notice is issued
Grant contracts with customers	Community events, minor facilities, research, design, planning evaluation and services	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants, subsidies or contributions for non-financial assets	Construction or acquisition of recognisable non-financial assets to be controlled by the local government	Over time	Fixed terms transfer of funds based on agreed milestones and reporting	Contract obligation if project not complete	Set by mutual agreement with the customer	Based on the progress of works to match performance obligations	Returns limited to repayment of transaction price of terms breached	Output method based on project milestones and/or completion date matched to performance obligations as inputs are shared
Grants with no contractual commitments	General appropriations and contributions with no specific contractual commitments	No obligations	Not applicable	Not applicable	Cash received	On receipt of funds	Not applicable	When assets are controlled
Licences/ Registrations/ Approvals	Building, planning, development and animal management, having the same nature as a licence regardless of naming.	Single point in time	Full payment prior to issue	None	Set by State legislation or limited by legislation to the cost of provision	Based on timing of issue of the associated rights	No refunds	On payment and issue of the licence, registration or approval
Pool inspections	Compliance safety check	Single point in time	Equal proportion based on an equal annually fee	None	Set by State legislation	Apportioned equally across the inspection cycle	No refunds	After inspection complete based on a 4 year cycle
Other inspections	Regulatory Food, Health and Safety	Single point in time	Full payment prior to inspection	None	Set by State legislation or limited by legislation to the cost of provision	Applied fully on timing of inspection	Not applicable	Revenue recognised after inspection event occurs
Waste management collections	Kerbside collection service	Over time	Payment on an annual basis in advance	None	Adopted by council annually	Apportioned equally across the collection period	Not applicable	Output method based on regular weekly and fortnightly period as proportionate to collection service
Property hire and entry	Use of halls and facilities	Single point in time	In full in advance	Refund if event cancelled within 7 days	Adopted by council annually	Based on timing of entry to facility	Returns limited to repayment of transaction price	On entry or at conclusion of hire
Memberships	Gym and pool membership	Over time	Payment in full in advance	Refund for unused portion on application	Adopted by council annually	Apportioned equally across the access period	Returns limited to repayment of transaction price	Output method Over 12 months matched to access right
Fees and charges for other goods and services	Library fees, reinstatements, and private works	Single point in time	Payment in full in advance	None	Adopted by council annually	Applied fully based on timing of provision	Not applicable	Output method based on provision of service or completion of works
Sale of stock	Recquatic café, Recquatic stock, Library stock	Single point in time	In full in advance, on 15 day credit	Refund for faulty goods	Adopted by council annually, set by mutual agreement	Applied fully based on timing of provision	Returns limited to repayment of transaction price	Output method based on goods
Reimbursements	Insurance claims	Single point in time	Payment in arrears for claimable event	None	Set by mutual agreement with the customer	When claim is agreed	Not applicable	When claim is agreed

12. OTHER INFORMATION

	2021/22 Budget	2020/21 Actual	2020/21 Budget
	\$	\$	\$
The net result includes as revenues			
(a) Interest earnings			
Investments			
- Reserve funds	270,000	274,310	641,416
- Other funds	22,400	39,194	180,000
Other interest revenue (refer note 1b)	402,200	464,283	399,161
	694,600	777,787	1,220,577
(b) Other revenue			
Reimbursements and recoveries	448,580	1,172,962	663,568
Other	0	0	45,654
	448,580	1,172,962	709,222
The net result includes as expenses			
(c) Auditors remuneration			
Audit services	60,000	60,000	60,000
Other services	30,000	30,000	27,991
	90,000	90,000	87,991
(d) Interest expenses (finance costs)			
Borrowings (refer Note 6(a))	828,121	963,980	975,351
Interest expense on lease liabilities	5,980	3,773	12,228
	834,101	967,753	987,579
(e) Elected members remuneration			
Meeting fees	276,462	276,462	276,462
Mayor's allowance	89,753	89,753	89,753
Deputy Mayor's allowance	22,438	22,438	22,438
Travelling expenses	6,000	4,000	6,000
Telecommunications allowance	28,000	28,000	28,000
Other Reimbursements	9,000	4,000	6,000
	431,653	424,653	428,653
(f) Write offs			
General rate	1,800	1,500	10,868
Fees and charges	150	6,000	200
	1,950	7,500	11,068
(g) Low Value lease expenses			
Office equipment	506,956	453,512	212,868
Demountable - Facilities Maintenance	16,056	16,056	1,338
Gymnasium equipment	0	96,852	12,542
	523,012	566,420	226,748

14. TRUST FUNDS

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

Detail	Balance 30 June 2021	Estimated amounts received	Estimated amounts paid	Estimated balance 30 June 2022
	\$	\$	\$	\$
APU Security Bonds	23,000	4,000	(4,000)	23,000
Contiguous Local Authorities Group (CLAG)	5,500	1,500	(500)	6,500
Nomination Bonds	0	480	(480)	0
Uncollected Vehicles	935	100	0	1,035
	29,435	6,080	(4,980)	30,535

15. SIGNIFICANT ACCOUNTING POLICIES - OTHER INFORMATION

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.

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.

ROUNDING OFF FIGURES

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

COMPARATIVE FIGURES

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

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.

**Appendix 1 - Capital Expenditure
2021/2022 Budget**

CAPITAL EXPENDITURE				CAPITAL FUNDING										
Project Name	Description	Type of Expenditure	Total 21/22 Budget	Grant Funding	DCA Reserve	Infrastructure Reserve	P&E Reserve	Asset Management Reserve	RG&C Reserve	FDC Reserve	IT Reserve	Proceeds from Sale	Insurance Recoup	Muni Funded
Buildings			6,745,168											
Additional works around the Kwinana South VBFB	Half court, carparking etc	New / Upgrade	25,000											25,000
Kwinana South VBFB Demolition and rebuild of facility	W13619	New / Upgrade	699,600	699,600										
Administration Building	Ongoing works to building to accommodate future growth	New / Upgrade	50,000											50,000
Administration Building	Ongoing works to building to accommodate future growth	Renewal	50,000					50,000						0
Animal Care Facility Refurbishment	Carry Forward W13636	New / Upgrade	85,470											85,470
Building Contingency	Contingency to cover unexpected breakdowns/repairs	Renewal	100,000					100,000						
Building Renewals - 18 Maydwell Way - window screens	Window Screens replacement	Renewal	4,988					4,988						
Building Renewals - Administration Building - fire alarm sensors	Replace in duct Fire Alarm sensors	Renewal	12,968					12,968						
Building Renewals - Administration Building - front counter window tint	Tint window replacement on the top windows above the front counter	Renewal	5,985					5,985						
Building Renewals - asbestos removal Bright Futures	Asbestos Removal Program - Main Electrical Mounting Board	Renewal	6,983							6,983				
Building Renewals - asbestos removal 156 Medina Avenue	Asbestos Removal Program - Demolish Asbestos Shed	Renewal	12,469					12,469						
Building Renewals - Business Incubator - security screens	Replace Damaged Security Screens	Renewal	14,963					14,963						
Building Renewals - Business Incubator - ablutions renovation	Disabled, Men and Women Ablutions renovation - repaint and lighting renewals	Renewal	24,938					24,938						
Building Renewals - Bright Futures Family Day Care Office - AC units	Replace Creche Office left and right room AC units	Renewal	7,980							7,980				
Building Renewals - John Wellard Community Centre - creche softfall	Creche Play Area - Softfall replacement	Renewal	24,938					24,938						
Building Renewals - Recquatic Centre - stadium floor strip and seal	Stadium floor strip and seal - Annual Program	Renewal	12,469					12,469						
Building Renewals - Recquatic Centre - mechanical	Mechanical renewals as per schedule	Renewal	59,850					59,850						
Building Renewals - Recquatic Centre - emergency exit doors	Replace fire rated emergency exit doors in stadium	Renewal	13,466					13,466						
Building Renewals - Senior Citizens Centre	Floors, toilets renewals, remove & make good old heaters & a/c units	Renewal	39,900					39,900						
Building Renewals - Sloan Heritage House (1950's) - external repairs	Repair/repaint gutters Repair/replace rusted eaves gutters and fascia timber beams Replace front timber steps and structure	Renewal	14,963					14,963						
Building Renewals - Sloan Cottage - renewal and accessibility works	Renewal and accessibility works	Renewal	49,875					49,875						

**Appendix 1 - Capital Expenditure
2021/2022 Budget**

CAPITAL EXPENDITURE				CAPITAL FUNDING										
Project Name	Description	Type of Expenditure	Total 21/22 Budget	Grant Funding	DCA Reserve	Infrastructure Reserve	P&E Reserve	Asset Management Reserve	RG&C Reserve	FDC Reserve	IT Reserve	Proceeds from Sale	Insurance Recoup	Muni Funded
Building Renewals - Smirks Cottage Museum - drainage	Installation of drainage to depot side of cottage to alleviate rising damp issue	Renewal	9,975					9,975						
Building Renewals - Tennis Club	Replace Solar hot water unit, panels & rusting roof sheets	Renewal	9,975					9,975						
Building Renewals - Wandii Schoolrooms	Repaint/replace rusted and peeling roof gutters, eaves, window frames and fascia beams; Repair/repaint/oil verandah timber flooring, posts and rafters Replace 6x Skylight sheets Repair/replace eaves battens and gutter scotia on southern side Sand and paint all fascia beams	Renewal	14,963					14,963						
Building Renewals - Wheatfield Cottage	Verandah: Repair/replace paving Repair/replace/repaint posts and roof members Repair/repaint/oil timber flooring Replace damaged verandah roof timbers Restore external walls to original state	Renewal	49,875					49,875						
Building Renewals - Koorliny Arts Centre	Replace verandah ceiling lining with white UPVC tongue and groove, trim to perimeter to complete	Renewal	34,913					34,913						
DCA 9 - Local Sports Ground Clubroom - Honeywood	**External funding** Honeywood Primary School Oval Pavilion 1% City 99% DCA Funded	New / Upgrade	3,718,203	400,000	3,318,203									
Operations Centre Extension	Second storey extension to meet current and future needs (\$500k for top floor already in reserve and rest from renewal	New / Upgrade	578,947					578,947						
Operations Centre Extension	Second storey extension to meet current and future needs (\$500k for top floor already in reserve and rest from renewal	Renewal	578,947					578,947						
Sloan House (1950s)	LRCI Round 2	Renewal	44,000	44,000										
Darius Wells Library - electrical works	LRCI Round 2	Renewal	80,000	80,000										
Darius Wells - Ken Jackman Hall flooring	LRCI Round 2	Renewal	45,000	45,000										
John Wellard Community Centre - Repair solar panel connections	LRCI Round 2	Renewal	10,000	10,000										
Koorliny Arts Centre - air conditioner replacement	LRCI Round 2	Renewal	8,500	8,500										
Thomas Oval Pavilion (old) roof restoration	LRCI Round 2	Renewal	20,000	20,000										
Recquatic Centre - front admin east and reception area airconditioner replacement	LRCI Round 2	Renewal	67,000	67,000										
Zone Youth Centre - repaint basketball court	LRCI Round 2	Renewal	30,000	30,000										

**Appendix 1 - Capital Expenditure
 2021/2022 Budget**

CAPITAL EXPENDITURE				CAPITAL FUNDING										
Project Name	Description	Type of Expenditure	Total 21/22 Budget	Grant Funding	DCA Reserve	Infrastructure Reserve	P&E Reserve	Asset Management Reserve	RG&C Reserve	FDC Reserve	IT Reserve	Proceeds from Sale	Insurance Recoup	Muni Funded
Recquatic Centre - Stadium Floor Replacement - Insurance claim reimbursement LGISWA: PR0030045	Carry Forward W13988	Renewal	38,065							10,000			28,065	
Requatic Front Counter - Automatic Gates	Carry Forward W13636	New / Upgrade	90,000						90,000					
Bus Shelters			29,796											
Bus Shelters New	New bus shelter if qualified.	New / Upgrade	12,000											12,000
Bus Shelters Renewal	Renewal works as per forward works program, operational expenditure already factored into budgets	Renewal	17,796					17,796						
Car Parks			49,717											
Car Park Renewal	Renewal works as per forward works program, operational expenditure already factored into budgets	Renewal	49,717					49,717						
Computing Infrastructure			1,407,909											
Corporate Business System	OneCouncil implementation as per plan April 2021. Includes Infringement System \$80k.	New / Upgrade	1,385,000									1,385,000		
Website Project		New / Upgrade	22,909						22,909					
Drainage			268,278											
Tanson Road Drainage Upgrade	Installation of new drainage system include pipe network and soakwells.	New / Upgrade	250,000											250,000
Drainage Renewals per Asset Management Plan	operational expenditure already factored into budgets	Renewal	18,278					18,278						
Footpaths			1,265,975											
Footpath Renewals	Renewal works as per forward works program, operational expenditure already factored into budgets	Renewal	109,669					109,669						
LRCI phase 2 - Hunt Place	New 1.5m Footpath construction	New / Upgrade	35,000	35,000										
LRCI phase 2 - Cowling Way	New 1.5m Footpath construction	New / Upgrade	55,000	55,000										
LRCI phase 2 - Mulligan Way	New 1.5m Footpath construction	New / Upgrade	55,000	55,000										
LRCI phase 2 - Napoleon Way	New 1.5m Footpath construction	New / Upgrade	20,000	20,000										
LRCI phase 2 - Warrior Pass	New 1.5m Footpath construction	New / Upgrade	25,000	25,000										
LRCI phase 2 - Tranby Way	New 1.5m Footpath construction	New / Upgrade	30,000	30,000										
LRCI phase 2 - Ameer Cres	New 1.5m Footpath construction	New / Upgrade	25,000	25,000										
LRCI phase 2 - ROACH PLACE	New 1.5m Footpath construction	New / Upgrade	25,000	25,000										

**Appendix 1 - Capital Expenditure
 2021/2022 Budget**

CAPITAL EXPENDITURE				CAPITAL FUNDING										
Project Name	Description	Type of Expenditure	Total 21/22 Budget	Grant Funding	DCA Reserve	Infrastructure Reserve	P&E Reserve	Asset Management Reserve	RG&C Reserve	FDC Reserve	IT Reserve	Proceeds from Sale	Insurance Recoup	Muni Funded
LRCI phase 2 - Trusty Way, Bertram		New / Upgrade	14,306	14,306										
LRCI phase 2 - Sub N drain path	New 2m Footpath construction	New / Upgrade	22,000	22,000										
Gilmore Ave Shared path Construction - Thomas Rd to Chisham Ave	50% Grant Funded (State?)	New / Upgrade	850,000	425,000		394,697			30,303					
Furniture & Equipment			20,000											
Furniture and Fittings Renewal	(blank)	Renewal	20,000					20,000						
Motor Vehicles			521,000											
Sale of Asset P553	Transfer Proceeds to Reserve		0				-23,000					23,000		
Plant Replacement P495		Renewal	41,500				21,500					20,000		
Plant Replacement P502		Renewal	45,000				25,000					20,000		
Plant Replacement P512		Renewal	41,000				21,000					20,000		
Plant Replacement P517		Renewal	41,500				18,675					22,825		
Plant Replacement P522		Renewal	41,000				21,000					20,000		
Plant Replacement P519		Renewal	41,000				21,000					20,000		
Plant Replacement P524		Renewal	41,500				18,675					22,825		
Plant Replacement P541		Renewal	27,500				12,650					14,850		
Plant Replacement P543		Renewal	27,500				12,650					14,850		
Plant Replacement P545		Renewal	35,000				12,175					22,825		
Plant Replacement P548		Renewal	27,500				12,650					14,850		
Plant Replacement P549		Renewal	35,000				12,175					22,825		
Plant Replacement P550		Renewal	35,000				12,175					22,825		
Plant Replacement P523		Renewal	41,000				21,000					20,000		
Parks & Reserves			1,612,892											
Kwinana Loop Trail Upgrade	Community team to seek funding	New / Upgrade	350,000	175,000										175,000
Parks Upgrade Strategy	Ascot Park	New / Upgrade	160,000											160,000
Public Open Space/Parks & Reserves Renewals	Renewal works as per forward works program, operational expenditure already factored into budgets	Renewal	697,892					697,892						
Streetscape Strategy	Budget year when Gilmore Ave shared path stage 1 is included (could reduce to \$40k)	New / Upgrade	150,000											150,000
Streetscape Strategy	Tubestock planting to Sulphur Road median (from Nottingham Parkway to Johnson Road)	New / Upgrade	70,000											70,000
Urban Tree Planting	\$185k urban tree planing	New / Upgrade	185,000	36,960										148,040

**Appendix 1 - Capital Expenditure
 2021/2022 Budget**

CAPITAL EXPENDITURE				CAPITAL FUNDING												
Project Name	Description	Type of Expenditure	Total 21/22 Budget	Grant Funding	DCA Reserve	Infrastructure Reserve	P&E Reserve	Asset Management				Proceeds from Sale	Insurance Recoup	Muni Funded		
								Reserve	Reserve	Reserve	IT Reserve					
Plant & Equipment				728,300												
City Assist - Enclosures	Animal enclosures need to be replaced every 5-6 years	Renewal	12,000													12,000
Variable Message Sign - Fire & Emergency Services		New / Upgrade	35,000								35,000					
Recquatic Equipment renewal	Centre equipment replacement - 25m pool stairs trolley, 25m stairs	Renewal	30,000							30,000						
Recquatic Plant renewal	Building Assets Renewal works as per forward works program, operational expenditure already factored into budgets	Renewal	27,300				27,300									
Plant Replacement P353		Renewal	4,000				4,000									
Plant Replacement P438		Renewal	5,000				5,000									
Plant Replacement P147		Renewal	4,500				4,500									
Plant Replacement P260		Renewal	60,000				47,000					13,000				
Plant Replacement P263		Renewal	65,000				48,750					16,250				
Plant Replacement P446		Renewal	240,000				200,000					40,000				
Plant Replacement P332		Renewal	7,500				5,500					2,000				
Plant Replacement P419		Renewal	36,500				35,500					1,000				
Plant Replacement P441		Renewal	29,000				19,000					10,000				
Plant Replacement P442		Renewal	100,000				75,000					25,000				
Plant Replacement P503		Renewal	22,000				14,500					7,500				
Plant Replacement P530		Renewal	6,000				6,000									
Plant Replacement P531		Renewal	38,000				28,000					10,000				
Plant Replacement P532		Renewal	6,500				6,500									
Roads				13,386,090												
Black Spot Wellard Road & Henley Boulevard Pre-deflection	Installation of predeflection on West and South legs	New / Upgrade	470,000	313,333												156,667
DCA 3,4 - Thomas Road	Prefunded by Main Roads	New / Upgrade	9,009,930		9,009,930											
MRRG Road Renewals Gilmore Ave	Stabilisation and resurfacing	Renewal	450,836	300,557												150,279
MRRG Road Renewals Wellard Road A	Stabilisation and resurfacing	Renewal	514,640	343,093												171,547
MRRG Road Renewals Hope Valley	Stabilisation and resurfacing	Renewal	340,684	227,123												113,561
Muni Funded Road Renewals Hefron Way	Road Upgrade, including new footpath installation	Renewal	275,000					275,000								
Muni Funded Road Renewals Munday Way	Road Upgrade	Renewal	205,000					205,000								
Muni Funded Road Renewals Derbal St	Road Upgrade	Renewal	185,000					185,000								
Muni Funded Road Renewals Powel Ct	Road and cul de Sac upgrade include Footpath	Renewal	135,000					135,000								
Muni Funded Road Renewals Inglis Ct	Road Upgrade	Renewal	135,000					135,000								
Muni Funded Road Renewals Dent Court	Road Upgrade	Renewal	125,000					125,000								
LRCI Phase 2 Sicklemore Road	Road upgrade	New / Upgrade	760,000	760,000												

**Appendix 1 - Capital Expenditure
 2021/2022 Budget**

CAPITAL EXPENDITURE				CAPITAL FUNDING										
Project Name	Description	Type of Expenditure	Total 21/22 Budget	Grant Funding	DCA Reserve	Infrastructure Reserve	P&E Reserve	Asset Management Reserve	RG&C Reserve	FDC Reserve	IT Reserve	Proceeds from Sale	Insurance Recoup	Muni Funded
LRCI Phase 2 Joiner Place	Road and cul de Sac upgrade include Footpath	New / Upgrade	150,000	150,000										
LRCI Phase 2 Summerton Rd and Gilmore Ave Intersection crossing	Modification of Existing pedestrian crossing	New / Upgrade	50,000	50,000										
Roads to Recovery Westcott Road	Road upgrade	Renewal	480,000	480,000										
Traffic Management Projects	Traffic calming projects across the City	New / Upgrade	100,000											100,000
Street Lighting			194,192											
Challenger Ave Street light construction - Warner to Bertram Road	Installation of new double outreach lights and upgrade the existing lights.	New / Upgrade	135,000											135,000
Street Lighting New	Re-active works	New / Upgrade	40,000											40,000
Street Lighting Renewal per Asset Management Plan	Replacement of components of public lighting, operational expenditure already factored into budgets	Renewal	19,192					19,192						
			26,229,317	4,971,472	12,328,133	394,697	745,875	3,741,911	188,212	14,963	1,385,000	426,425	28,065	2,004,564

Appendix 2

Operating grants, subsidies and contributions

21/22 Budget

Provider	Revenue Recognised
	\$
General purpose funding	
Local Government General Purpose Grant	994,876
Local Government General Purpose Grant - Roads	811,188
Non Rateable Property - Dampier to Bunbury Natural Gas Pipeline Corridor	175,000
Law, order, public safety	
Department Fire and Emergency Services - ESL	191,030
DFES Mitigation Activity Fund Grant 20/21 Round 2	80,000
Health	
Mosquito Management Contributions (CLAG)	21,840
Department of Health - Larvicide	2,000
Education and welfare	
Banksia Park Operating Cost Contribution	353,808
Family Daycare - Mainstream Childcare Benefit Subsidy	2,640,000
Family Daycare - Inclusion Subsidy Scheme	5,004
In-Home Care - CCB Subsidy	900,000
In-Home Care - Subsidy - Department of Communities	10,320
NGALA My Time Program	10,560
Operational Subsidy - Aboriginal Resource Worker	31,500
Library Contributions and Donations	1,596
Youth Social Justice Program	174,000
Youth Leadership and Development LYRIK	30,000
Youth Intervention Program	20,000
Youth Spaces Activation	5,000
Community amenities	
PTA Bus Shelter Subsidy	10,000
Greening fund	23,200
SMCC Tronox Adopt a Beach	5,000
Suez / ProAlliance Adopt a Beach	5,000
BP Coastcare	10,000
Recreation and culture	
Shared Use Agreements	127,500
Every Club Funding	30,000
Good Things Foundation Grant - Get Online Week	1,000
Event Sponsorship	60,000
Community Development Fund - Kwinana Industries Council	40,000
Transport	
Main Roads Annual Direct Grant	192,000
Main Roads Street Light Subsidy	6,200
Main Roads Maintenance Contribution	134,000
TOTALS	7,101,622

Appendix 3

Non-operating grants, subsidies and contributions

Provider	21/22 Budget Revenue Recognised
	\$
Law, order, public safety	
DFES - Kwinana South VBFB Station Extensions	699,600
Recreation & Culture	
Honeywood Oval - Sports Ground Clubroom - Dept. Local Government	400,000
Urban Canopy Grant	36,960
Local Roads and Community Infrastructure Program - Round 1	
Sloan House (1950s)	44,000
Local Roads and Community Infrastructure Program - Round 2	
Darius Wells Library - electrical works	80,000
Darius Wells - Ken Jackman Hall flooring	45,000
John Wellard Community Centre - Repair solar panel connections	10,000
Koorliny Arts Centre - air conditioner replacement	8,500
Thomas Oval Pavilion (old) roof restoration	20,000
Recquatic Centre - front admin east and reception area airconditioner replacement	67,000
Zone Youth Centre - repaint basketball court	30,000
Transport	
Perth Bicycle Network LG Grant - Gilmore Avenue Shared Path Stage 1 Design	425,000
Local Roads and Community Infrastructure Program - Round 2	
Footpaths - Gamble Place, Orelia	30,000
Footpaths - Joiner Place, Parmelia	30,000
Footpaths - Hunt Place (with Cowling Way), Parmelia	20,000
Footpaths - Cowling Way (with Hunt Place), Parmelia	50,000
Footpaths - Waddingham Way (formerly Porter Garden, Leda)	60,000
Footpaths - Pudney Place, Orelia	20,000
Footpaths - Napoleon Way, Bertram	16,000
Footpaths - Warrior Pass, Bertram	18,000
Footpaths - Tranby Way, Bertram	25,000
Footpaths - Ameer Cres, Bertram	23,000
Footpaths - Trusty Way West, Bertram	14,306
Roads - Sicklemore Road, Parmelia	760,000
LRCI Phase 2 Joiner Place	150,000
Roads - Summerton Road, Calista	50,000
Kwinana Loop Trail	175,000
Main Roads MRRG Funding	870,773
Roads to Recovery	480,000
Blackspot -Wellard Road & Henley Boulevard Pre-Deflection	313,333
DCA 1 - Hard Infrastructure - Bertram	14,416
DCA 2 - Hard Infrastructure - Wellard	14,416
DCA 3 - Hard Infrastructure - Casuarina	5,535,701
DCA 4 - Hard Infrastructure - Anketell	3,503,061
DCA 5 - Hard Infrastructure - Wandi	14,416
DCA 6 - Hard Infrastructure - Mandogalup	14,416
DCA 7 - Hard Infrastructure - Mandogalup (west)	14,416
DCA 8 - Soft Infrastructure - Mandogalup	14,416
DCA 9 - Soft Infrastructure - Wandi / Anketell	3,332,619
DCA 10 - Soft Infrastructure - Casuarina/Anketell	14,416
DCA 11 - Soft Infrastructure - Wellard East	14,416
DCA 12 - Soft Infrastructure - Wellard West	14,416
DCA 13 - Soft Infrastructure - Bertram	14,416
DCA 14 - Soft Infrastructure - Wellard / Leda	14,416
DCA 15 - Soft Infrastructure - Townsite	14,416
TOTALS	17,515,845