



Annual Report

2015/2016



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Vision Statement

The City of Kalgoorlie-Boulder has a vision to be a sustainable regional city of the future.

Underpinned by the following:

- we will be a clean and green city
- people will call Kalgoorlie-Boulder home
- there will be adequate facilities and services for everyone
- we will encourage and support economic development and diversification
- we will be a quality employer
- we will project a positive image at all times, demonstrating that we are a sustainable regional city of the future, with a 'can do' approach

Mission Statement

The City of Kalgoorlie-Boulder will be a dynamic regional centre with a proud history and a high quality of life. We are dedicated to working with the community to achieve the best possible services.

Mayor and Councillors

City of Kalgoorlie-Boulder
Elected Members 2015/16





(Left to right)

Mayor John Bowler, Deputy Mayor Allan Pental, Cr Deborah Botica, Cr Lisa Malicky, Cr Laurie Ayers,
 Cr Mandy Reidy, Cr Mick McKay, Cr Kyran O'Donnell, Cr Gary Brown, Cr Suzie Williams, Cr Glenn Wilson,
 Cr Natalie Coxon, Cr Pam O'Donnell.

Mayor's Report

I am pleased to present the 2015/16 City of Kalgoorlie-Boulder Annual Report. My first year as Mayor of the City of Kalgoorlie-Boulder has not been without its ups and downs, however I feel overall it has been a positive year.



The 2015/16 year was one of substantial change for the City, with the commencement of new CEO, John Walker, in February, followed by some significant changes within the organisation. The announcement at the end of April that the City of Kalgoorlie-Boulder was ranked 139 out of 140 local governments financially across Western Australia on the State Government's My Council website was a blow to the City, but was a definite catalyst to review the way we do business.

We have seen the commencement of a number of long awaited projects, including the Lord Forrest Olympic Pool Redevelopment, and had to put on hold two major projects – the SES Building and the Goldfields War Museum, until we are in a better position to carry them out.

One of the key issues which has arisen during the 2015/16 year is that of community safety, and the City of Kalgoorlie-Boulder has been working with the WA Police and other agencies to improve this. In April the CEO John Walker and I met with Federal Minister for Justice, Michael Keenan MP to talk about community safety, crime prevention, and the practical initiatives that we can work together to put in place, to really make some inroads into what we can do to improve the community safety of our City.

The City has applied for funding through the \$50 million Safer Streets Programme to improve lighting in the CBD, to specifically install LED lighting under the verandahs all the way along Hannan Street, from Porter Street to Wilson Street. Increased lighting is one of the simplest and most effective steps we can take to improve community safety and reduce anti-social behaviour.

There were a number of highlights throughout the year, especially surrounding community events, with the Sunset at the Soundshell concert featuring Sheppard, an internationally acclaimed band with strong family ties to Kalgoorlie-Boulder, and the Goldfields KidsFest, both standing out.

2015/16 has also seen the development of the Kalgoorlie-Boulder Growth Plan and the Growing Kalgoorlie-Boulder Futures Forum, featuring renowned demographer Bernard Salt as the keynote speaker. The Growth Plan



John Bowler
Mayor, City of Kalgoorlie-Boulder

has been a collaborative process between the City of Kalgoorlie-Boulder, the Goldfields Esperance Development Commission, Regional Development Australia-Goldfields Esperance, the Chamber of Minerals and Energy, the Kalgoorlie-Boulder Chamber of Commerce and Industry, the Goldfields Land and Sea Council, KCGM, Northern Star Resources, LandCorp, the Department of Planning, the Department for Regional Development, representatives from the education and tourism sectors and invited community representatives and looks at a range of issues, such as housing needs and affordability, tourism development opportunities, infrastructure and services, population retention and livability, and investment opportunities. The completed Growth Plan will be submitted to the Department of Regional Development at the end of 2016.

All of these initiatives are guiding the City of Kalgoorlie-Boulder, and its elected members, in making our City a great place to live and visit.

John Bowler
Mayor, City of Kalgoorlie-Boulder

CEO's Report

Executive Services

Midway through the 2015/16 financial year there was a significant restructure within the organisation, with a move away from four directorates and into Executive, Financial and Operations areas.



The appointment of Chief Financial Officer Ivana Castle and Chief Operating Officer Edward Fraser gave strong direction to the two areas, and the creation of two new roles, Executive Manager Council Businesses and Property, reporting to the CFO, and Executive Manager Economy and Growth, reporting directly to the CEO, filled by former Directors Coby Halpin and Alex Wiese respectively, gave greater focus and momentum to these two key areas of Council.

In addition to this, the Executive Services area has been restructured, with Organisational Development and Governance and Corporate Strategy and Planning moved to the Financial Services area. Skills identification in existing staff has seen the creation of a Performance Management Coordinator and Research and Administration Assistant roles and the addition of a Marketing Officer role within the Executive Services team to ensure a high level of support to the Mayor, Councillors and CEO and service to internal and external customers from the Executive Services team.

Following the announcement of the City's poor financial state on the State Government's My Council website, the City embarked on a ruthless austerity program, with substantial cost cutting across the organisation and a greater focus on outcomes and customer service. There has been a strong push towards increasing the open and transparent flow of communication to internal and external customers, with the aim to improve the broad perception of Council and the City by the community.



John Walker
CEO, City of Kalgoorlie-Boulder

Operational Services Area

**Planning, Development and
Regulatory Services**

Community Services

Infrastructure and Open Spaces



Planning, Development and Regulatory Services

Planning and Development

Strategic Planning

Strategic Planning focuses on setting a framework through the City's Local Planning Strategy to effectively guide future development, land supply, land use, urban and regional development.

Strategic projects and plans reviewed throughout the year include:

1. Amending the City of Kalgoorlie-Boulder Local Planning Strategy – Amendment No. 01;
2. Structure Plan 01 – Goldfields Masonic Homes Aged Care Facility;
3. Structure Plan 03 – Lot 92 and 93 Great Eastern Highway;
4. Scheme Amendment No. 92 – Rezoning Lot 900 and 901 Bourke Street and Lots 902, 903 and 904 Maritana Street, Piccadilly; and
5. Scheme Amendment 91 – Rezoning Lot 4852 Forrest Street to General Residential

Statutory Planning

Statutory Planning ensures that development is carried out in accordance with the City's Town Planning Scheme and Policies, as well as other State Government Policies. This is to produce desirable planning outcomes and lawful developments.

Planning Applications

Planning Services determined 257 development applications for 2015/16 with 92% of these applications being approved. Residential applications took on average 16.9 working days to assess and Non-Residential applications took an average 14.9 working days. Planning Services also provides a free advice service which offers pre-application advice for Non-Residential or large Residential projects.

Subdivisions

16 recommendations were provided to the WA Planning Commission for applications for subdivision, survey-strata and/or amalgamation during 2015/16.

Heritage

The City encourages the use and development of historic places on the Local Government Heritage Inventory (LGI). Planning Services also administers the Local Heritage Fund, provides free heritage advice and facilitates the drafting of Conservation Management Plans.

During 2015/16, Council granted four applications under the Local Heritage Fund, totaling \$52,000 (excluding GST).

Building

Building Services determined 115 Certified Applications and 209 Uncertified Applications during 2015/16. Uncertified building applications took on average less than 7.5 working days to assess. Certified building applications took on average less than 8 working days.

Other Building Applications

In addition to building applications, a considerable number of compliance issues, amendments, Building Approval Certificates, Certificates of Design Compliance, Certificates of Building Compliance, Certificates of Construction Compliance, Demolition Permits, Occupancy Permits and Building Orders were assessed and determined.

Pool Inspections

During 2015/16, 1346 pool barricade inspections were carried out on 845 pools. Of these, there are now 639 properties compliant and 179 non-compliant. 27 pools have been demolished or removed and are no longer on the register. The City issued six infringements totaling \$4,500 to property owners who failed to provide a compliant pool barricade.

On average only 50% of residents respond to the City's requests to book inspections.

Environmental Health and Ranger Services

The primary role of the Environmental Health Services area is to protect the health and well-being of the Kalgoorlie-Boulder community through the delivery of various programs that encourage, monitor and ensure compliance with public health, community and environmental laws. The section's mission is to provide an efficient and sustainable service to improve the health and safety of individuals, our community and our ecosystems through expertise and empowerment.

Food Safety

Food business assessments are conducted routinely throughout the year and when concerns are raised to ensure that practices and standards are being maintained in accordance with the relevant food safety and hygiene standards. A total of 434 food businesses including restaurants, cafés, take-away shops and temporary food stalls were registered during the year with 688 food safety and hygiene inspections conducted.

Accommodation Safety

Environmental Health Services conducted inspections of lodging houses, hotels and caravan parks within the City to ensure that they were maintained and operated in a manner that keeps patrons and residents safe. Substandard houses and buildings were also investigated throughout the year and action taken to ensure they were returned to an acceptable standard.

Water Quality

Regular routine microbiological, physical and chemical testing of public swimming pools (hotels, motels etc.) and the City's reclaimed water reticulation scheme was undertaken throughout the year. A total of 875 samples were submitted, with the majority of samples meeting the required standards. Non-compliances were addressed as a priority.

Public Building Safety

Environmental Health Services undertook 145 inspections of public buildings in accordance with the Health (Public Buildings) Regulations 1992 to ensure patron safety.

Environmental Noise

69 formally lodged noise health service requests were investigated by Environmental Health Offices during 2015/16. The majority of the requests were related to business activity in close proximity to noise sensitive premises.

Mosquito Management

Mosquito breeding activity reduced compared to the previous year as a result of the City's ongoing mosquito treatment program and decreased rainfall. Five cases of Ross River Virus were reported in Kalgoorlie-Boulder.

Local Emergency Management

The City's Manager Health and Compliance continued to chair the Local Emergency Management Committee (LEMC) as the Mayor's nominee. Regular meetings and exercises were held to ensure the City is well prepared to deal with any emergencies that may arise.

Special Events and Temporary Public Buildings

Environmental Health Officers inspected and issued 31 approvals for special events, fairs and festivals, including Goldfields KidsFest, Race Round, Diggers and Dealers, the Kalgoorlie-Boulder Community Fair, Goldfields Spring Festival, the Nullarbor Muster and the Saint Barbara's Day Parade.

Health Service Requests

Environmental Health Services deals with a broad range of community amenity issues, from the keeping of a range of animals including horses and birds, to storm water, dust and odour issues. The team acted upon 351 external service requests to address these issues.

Indigenous Environmental Health

The Environmental Health Officer-Indigenous Communities Coordinator and Field Support Officer made a total of 40 visits to 13 Aboriginal communities in the Eastern Goldfields Region, with 745 hours spent actively in the communities. Officers conducted a range of activities, including school environmental health programs, dog health programs, housing, rubbish tip and sewage inspections. Reports of these visits were issued to responsible agencies to help improve the level of environmental health in Indigenous communities.

Rangers

Rangers received 4624 customer service requests throughout the year. These jobs ranged from stray animals, parking, and abandoned vehicles to abandoned shopping trollies. Ranger Services continued with a community education based approach rather than enforcement, with 1377 warnings/notices issued compared to 961 infringements. 45 of the issued infringements were withdrawn based upon individual circumstances through the City's appeals process.



Animal Management

576 dogs were impounded during 2015/16, a 30% decrease on 2014/2015. 58% of the dogs impounded were returned to their owners, 24% were re-homed with 14% of impounded dogs being euthanized. 4% of impounded animals passed away as a result of external factors such as illness or motor vehicle accidents. 449 cats were impounded during the year, which was a slight decrease on the previous year. Of these, 49% percent were deemed to be feral or not suitable for rehoming and euthanized. Of the remaining 51%, 4% were returned to their owners, 13% were re-homed and 18% euthanized. 16% of impounded cats died due to motor vehicle accident or other factors such as illness. There were also 75 other animals impounded during the year, ranging from chickens, ducks, rabbits and livestock.

Parking Control

Timed parking areas around the City continued to be patrolled, with 42,265 vehicles checked during the year. This resulted in 414 infringements, equating to 0.9% of vehicles checked, which were found to have overstayed. A further 194 infringements were issued for general parking related offences.

Waste and Compliance

Sustainability

The City of Kalgoorlie-Boulder currently has four significant solar PV systems installed across its facilities. These systems generated a total of 525,364kWh of electricity in the 2015/16 financial year. This amounts to a financial saving for the City of \$107,375 for the same period. The average payback period for these solar PV systems is six years. The total savings to date from all solar PV systems is \$294,320.

Sewerage

In 2015/16 the City experienced 56 sewerage system failures, which falls within the City's National Performance criteria. The City continued to use CCTV to identify at risk sewer lines, and the information obtained is used to set forward works programs.

The City's South Boulder Wastewater Treatment Plant treated approximately 6.1 megalitres of wastewater each day. The treated effluent produced was used for the irrigation of ovals, parks, gardens, schools, or on-sold to the mining industry.

Refuse Collection and Recycling

The City's kerbside recycling service diverted approximately 1,508 tons of recyclables from landfill for the 2015/16 year.

The City's free residential bulk bin service was well utilised during 2015/16 assisting residents with the free removal and disposal of approximately 756 tonnes of household waste.

The City provided free access to the Yarri Road Landfill for residential properties assisting with the free disposal of approximately 30,600 tonnes of household and garden waste.



Operational Services Area

Planning, Development and
Regulatory Services

Community Services

Infrastructure and Open Spaces



Community Services

William Grundt Memorial Library

The William Grundt Memorial Library continues to promote literature in various formats to provide community education and leisure opportunities for all residents and visitors. The Library has maintained a high membership in 2015/16 of 10,547 which is 34% of the population of Kalgoorlie-Boulder.

This year saw the library staff issue over 101,141 physical items and a further 4,799 eResources were access by our members online, an increase on 2014/15.

The Library achieved an 85% satisfaction rating in the Community Perceptions Survey of October 2015, up 5% on the previous year. The library works to maintain the following service standards:

- Access 7 days, 50.5 hrs per week
- Free membership, 3 week loan of up to 15 items
- Free Wi-Fi
- 4 children and 1 youth programs per week
- School Holiday Programs, minimum of 5 sessions per holiday period

The Library has hosted a number of events and programs in 2015/16 including The National Capital Authority (NCA) educational travelling exhibition, Brick by Brick: Build Your Own Capital. This hands-on touring exhibition was about engaging young people in particular with our National Capital in an educative platform. Frane Lessac was our guest author for Children's Book Week in August 2015 and authors Linda Bettenay and Barrie McMahon also visited the library as they travelled around the state on promotional tours.

A major project for the library was the removal of the old circulation desk and the installation a new modern service desk, this has meant some changes in the layout of the library giving it a whole new look as you come into the building. The library staff were involved in community events including the Goldfields Community Expo and KidsFest, which were positive ways to connect with residents and engage them with the library.



Community Events

The annual calendar of community events saw an increase in attendance throughout the year with higher than anticipated numbers attending the Soundshell Concert hosting the internationally acclaimed band Sheppard. The Multicultural Festival was very successful with an increase in participation from community groups and community members wishing to experience a diverse range of cultural foods, activities and entertainment. Other annual events that continue to be successful are the City of Kalgoorlie-Boulder Art Prize, Pets Day Out, the Town Hall Show series and the Australia Day Big Breakfast.

Youth

2015/16 was an exciting year for the young people of Kalgoorlie-Boulder. Across the year several successful events were held for the young people of Kalgoorlie-Boulder with a Youth Leadership Program identifying the need for a pop-up youth space, a regular event now in the youth calendar providing a safe space to chill out and workshops to develop employment skills. Youth Fest, held in National Youth Week, saw an attendance of just over 1000 young people enjoy San Cisco perform, along with other local artists. The skate park continues to host several skate workshops and events throughout the year in conjunction with Skateboarding Australia, with young people enjoying the opportunity to learn new skills.

Sport and Recreation

Sport and Recreation Services worked closely with the community to support club development and promote recreation in our community in partnership with more than 60 sporting associations and/or clubs. 2015/16 saw 600 KidSport vouchers processed through 68 registered clubs and the announcement of Kalgoorlie-Boulder as a trial location for the new Department of Sport and Recreation SilverSport program to support seniors being more active in their community. These programs provide financial support to the community members wishing to participate in their chosen activity.

Community Assistance Scheme

The City's Community Assistance Scheme provided over \$900,000 to strengthen and enhance the social wellbeing, development and sustainability of the City of Kalgoorlie-Boulder community through their ongoing commitment to providing community grants. Projects supported included arts festivals and events, community fair, youth programs and sporting awards.

History and Heritage Unit

The History and Heritage Unit is made up of the Goldfields War Museum and City Archives. Their current location is the Kalgoorlie Town Hall. The Unit has enjoyed an eventful year with facilities being utilised by 13,148 state, inter-state and international visitors including visiting schools, an increase of 12% from last year.

The History and Heritage Unit also participated in events such as Australian Heritage Week, Australian Heritage Festival and Race Round, offering free heritage tours of Kalgoorlie and Boulder Town Halls as well as historic Hannan and Burt Streets, which were enjoyed by 601 visitors.

Goldfields War Museum

The Goldfields War Museum was successful in obtaining a Lotterywest Grant of \$100,000 for the manufacture and fitting of displays for the museum development. The Goldfields War Museum Redevelopment Project did not proceed as expected when the contracted construction company pulled out of the contract and they could not be replaced with a local company. The Goldfields War Museum Project is anticipated to be carried over to the 2017/18 financial year.

The War Museum partnered with the WA Museum and Museum Australia to obtain a Lotterywest Grant for a state wide World War I commemoration project, "Remembering Them", scheduled for October 2016. New displays were produced for the museum and temporary displays were installed at the William Grundt Memorial Library and Kalgoorlie Town Hall for Long Tan Day, Remembrance Day and Anzac Day.

City Archives

The City Archives plays an important role by documenting, preserving and making information available for research. It also manages the City's art and memorabilia collections. New art works are added to this collection annually from purchases made through the City's annual Art Prize.

The City Archives partnered with the Goldfields Arts Centre to exhibit 23 art works from the Claude Hotchin Art bequest. Archive staff have been involved in significant research projects such as the interpretation of the Lord Forrest Swimming Pool, all original documents and some objects pertaining to the swimming pool are kept safely in the City Archives.

Town Halls

The Kalgoorlie and Boulder Town Halls continue to be a popular tourist attraction with 601 visitors taking advantage of the free weekly and heritage calendar tours. 1,217 school children from eight different schools also visited the Town Halls during the year.

Eastern Goldfields Community Centre (EGCC)

The EGCC continues to deliver Home and Community Care (HACC) Services in the Community and at the Adult Day Centre (ADC) as part of Centre Based Day Care (CBDC). The centre also facilitates and assists Senior's activities. The EGCC Kitchen produces meals for Meals on Wheels (MOW's), as well as meals for consumption at the centre for clients attending CBDC and Seniors activities.

HACC services aim to maximise the independence, wellbeing and community connections of people who require low levels of support with everyday tasks of daily living, assisting them to live independently in their own homes thereby preventing premature admission to residential care.

The HACC program is funded by the Commonwealth and WA State Government and the City of Kalgoorlie Boulder while the Seniors Programs and the Kitchen is funded by the City.





EGCC Activities for HACC Clients and Seniors

The EGCC introduced the Social Club in the ADC which has greatly encouraged Clients to attend CBDC for the activities they enjoy. One of the highlights were the activities run with the WA Disabled Sports Association, which offered activities to both ADC and Get Out Club clients.

A range of facility improvements were made to the EGCC over the year:

- Provision of capital expenditure from the Seniors Reserve Fund saw improvements to the seniors lounge area with the replacement of old lounge furniture with new suitable chairs, reverse cycle air conditioners fitted in the seniors lounge and dining room areas, installation of doors for disability access in the EGCC and Adult Day Centre (ADC). The entrance area and admin offices were repainted in the EGCC and new blinds were fitted throughout the EGCC and ADC.
- Funding from Local Government Insurance Scheme (LGIS) allowed the purchase of a mechanical floor scrubber to clean the hard floors in the EGCC and ADC areas. LGIS also funded installation of a security system for ADC.
- Non-recurrent HACC funding was obtained for the purchase of new outdoor furniture, a projector and laptop and the installation of a clear vinyl blind in the EGCC Hall as a windbreak.
- Two sedans were replaced to assist with both HACC and Seniors transport.
- Additional new gym mats, exercise mats and resistance bands were purchased for the gentle gym classes.

Carers Support Group

Carers Support Group meetings are held on a monthly basis to provide support for those Carers in their role as unpaid Carers in the community. Respite is offered to those that require it in order for the Carer to attend the Carers meetings. Over the year Carers were invited to attend 15 events which included combined EGCC events such as luncheons at the EGCC and Carer specific meetings.

Seniors

Seniors activities continued with active participation in Dizzy Fingers Craft Group which made several donations to various charities from the sale of items. Bingo continues to be popular on a Friday afternoon with donations made to charities of their choice. The WA Disability Sports Association donated their disused indoor bowls mats and bowling equipment to the EGCC for use. Various activities were held in Seniors Week including Afternoon Tea, a Barbeque, the Commonwealth Games and a Luncheon. Throughout the year there were 176 seniors activities attended (craft, gym, exercises, bingo). Planning commenced to look at ways to increase Seniors membership and participation at the EGCC.

Kitchen and Meals on Wheels

The kitchen produced 10,500 meals throughout the year for MOW's, clients attending CBDC, Men's Shed members and Seniors. They catered for eight special lunch functions attended by both HACC clients and Seniors. The Food Audit in October achieved a High Performance rating, resulting in audits moving from six monthly to annually. Volunteers continue to provide a valuable service in the delivery of meals for MOW's and assisting in the kitchen with food preparation.

Disability Access and Inclusion Plan 2016 – 2021 (DAIP)

The Disability Access and Inclusion Plan 2011 – 2016 for CKB was reviewed to create the new plan for 2016-2021. Opportunities for feedback and comments were obtained through

community consultation, and engagement with relevant groups, staff and surveys.

Comment was sought on barriers to physical access, barriers to communication/accessible information, barriers due to lack of staff awareness and skills in delivering services to people with disabilities, barriers to opportunities to participate in complaints/grievances, decision-making processes and public consultations, as well as general feedback. The DAIP will be fully reviewed in 2021, with annual consultation planned with stakeholders in the interim to ensure ongoing feedback encouraging inclusion.

C.Y. O'Connor Men's Shed

The C.Y. O'Connor Men's Shed has grown despite many members leaving town. The Men's Shed membership has remained relatively stable with an increase of 16 members to 148 members. The Shed has the second largest membership in WA and is well utilised. The Shed received 770 visitors in 2015/16, many from other Men's Sheds from both inter and intra state.

The Shed continues to provide a venue for programs and activities for a variety of not for profit groups within Kalgoorlie-Boulder. The Shed has been recognised by the Western Australian Men's Shed Association (WAMSA) as one of the most active sheds in WA, for its involvement with groups and local organisations providing services and support programs.

Projects undertaken by the Shed over the year have included the enclosure of the lounge area and construction of the new supervisor's office. Community projects have included toys, a dolls house, furniture repairs and minor repairs for the City's play groups and organisations within the local area. Various other projects for not for profit organisations included a dolls house for the women's refuge.

Men's health programs in the Shed have included asthma awareness and control, a visit from the independent living van and cancer awareness presentations.

Operational Services Area

Planning, Development and
Regulatory Services

Community Services

Infrastructure and Open Spaces



Infrastructure and Open Spaces

Engineering

The 2015/16 financial year saw further substantial expenditure on major capital improvement and rehabilitation works in the Engineering Services area. Works undertaken included several traffic safety projects and numerous reconstructions of major roads. The total transport related capital and operating expenditure (excluding Airport operations and plant purchases) was approximately \$16 million for the year. Success with external road funding applications through State and Federal Government programs again assisted with road improvement projects, with approximately 75% of the over \$8.3 million capital expenditure for roads coming from this source.

The largest single project was the final stage of the flood damage reinstatement of the Kurnalpi-Pinjin and Trans Access roads costing \$2.182 million. This project was largely funded by the Federal Government. Other significant projects included the continued upgrade works carried out on the City's rural regionally significant roads, including Yarri Road, Broad Arrow, Ora Banda Road and the Mount Monger Road.

Roadworks

The continuation of the Federal Government's Roads to Recovery program provided expenditure of \$1.827 million for a number of projects.

The State Government's Road Project Grant saw the expenditure of \$1.804 million (2/3 State and 1/3 Council) on improvement and preservation works on several significant local roads, including Lionel Street, Burt Street, Boulder Road, Federal Road, Lane Street, Piccadilly Street, Yarri Road, Mt Monger Road, Bulong Road and the Ora Banda, Broad Arrow Road.

A mixture of State, Federal and Council funds totalling \$684,000 was spent on the maintenance and upgrading of the Trans Access Road which services the Aboriginal communities and pastoralists to the east of the City.

As per previous years, major expenditure items also included \$85,000 for kerbing upgrades and

maintenance, \$584,000 for the sweeping and cleaning of streets, and \$60,000 for laneway upgrades and maintenance works. Urban road maintenance expenditure totalled \$882,000 with a further \$597,000 being spent on rural road maintenance.

The annual costs for the operation and maintenance of streetlights throughout the City amounted to \$1.053 million while a further \$64,000 was allocated to street lighting upgrade projects. Upgrade projects were undertaken in the West Kalgoorlie, Boulder, South Kalgoorlie and Central Kalgoorlie areas of the City and included the purchase of poles and lights for the Hannan Street upgrade.

Other capital works undertaken within the year totalled \$133,000 and included pavement reconstruction works and grid replacements. A further \$351,000 was spent on the sealing and resurfacing of various roads throughout the City in accordance with the City's ongoing resealing program (including an extensive crack sealing program).

Traffic and Safety Improvements

The City received funding through the State Government Black Spot road funding programs for three projects - safety treatment at the intersection of Cheetham Street and Cassidy Street, stage two (design and service relocation) for Meldrum Avenue realignment (Throssell to O'Connor) and the construction of the Lionel Street/Egan Street Roundabout. Total cost of the projects in 2015/16 was \$717,000 with \$351,000 from the State Government.

Footpaths and Shared Use Paths

A total of \$497,000 was spent on the construction of new footpaths and replacement of existing footpaths as a continuation of the City's ongoing footpath construction/replacement program. Footpath maintenance expenditure of \$670,000 included the footpath washing and sweeping program in the Kalgoorlie and Boulder CBD's.

Drainage

Drainage expenditure for the year totalled \$327,000 which was spent on maintenance and construction, with the main construction project being finalising the design of the Boulder Road Drainage upgrade.

Graffiti

With the aid of a grant from the Office of Crime Prevention, the City was able to upgrade its specially equipped vehicle and trailer for its dedicated Graffiti Response Officer, to assist with the implementation of the City's "Nil Tolerance" to Graffiti Policy. Total cost of the program was \$107,000.

Bushfire Services

The wetter than normal end to 2015/16 has increased the fuel loading in the bush. This will mean a busier than usual fire season if the region experiences a hot summer.

Parks, Gardens and Reserves

Approximately \$3.842 million was spent on the maintenance of parks, gardens and recreational facilities during the year. This expenditure included \$366,000 for specified maintenance and capital projects.

New works and enhancement projects undertaken during the year include the replacement of playgrounds at Brackleman Drive Park, Ramus Circle Park and the complete refurbishment of Maxwell Street Park.



The final pedestrian bridge was installed at Dwyer Street Dam to complete the pathway around the dam perimeter.

A total of \$2.105 million was spent on verge maintenance throughout the City which included a total of \$1.181 million on the control of weeds on verges and lane ways. An amount of \$552,000 was expended on the maintenance of street trees and a further \$139,000 on the maintenance of Gribble Creek, Lake Douglas and Karlkurla Park. Significant effort has been placed on clearing large areas of vacant public open space, which has not only reduced fire and other safety risks associated with these areas, but also impacted positively on the general appearance of the City.

The City contributed \$175,000 towards clean ups in outlying fringe camp sites throughout the year.

Reticulation

A total of \$1.076 million was spent on maintenance and upgrade works to the City's treated wastewater distribution system that provides water to the City's major parks, ovals and gardens. Capital upgrades included the upgrade of the Piccadilly Pump Station, installation of a holding tank at Sir Richard Moore Oval, the replacement of the effluent pipe from Racecourse Dam to Usher Park and the installation of a chlorination system at the Golf Course, along with filter replacements, installation of flow meters and on-line chlorination monitoring at various wastewater distribution sites around the City.



Financial Services Area

Organisational Development and Governance

Council Businesses and Property

Information Management Team

Finance, Assets and Procurement



Organisational Development and Governance

Human Resources

The City had a workforce of approximately 246 full time, 57 part-time, 40 temporary, 309 casual and 6 Aboriginal staff. Casual staff are mainly employed at the Golf Course, the Oasis and the Goldfields Arts Centre.

At the end of June 2016, there were approximately 24 permanent full time and permanent part-time positions vacant, some of which had recruitment underway. For the year ending 30 June 2016, there were 76 terminations, of which six were redundancies with a turnover rate of 25.1%.

In February 2016, the City underwent a restructure, with the move from four directorates to two areas of control, headed by a Chief Operating Officer and a Chief Financial Officer. This change has impacted the Human Resource department, specifically, it has meant an overhaul of organisational structural mapping, position descriptions, employment contracts and alterations to the management information and financial systems.

Occupational Health and Safety

The City's Occupational Health and Safety program has continued to return steady results with Total Reportable Injuries (TRI) falling from 27 in 2014/15 to 14 for the 2015/16 year. The most notable gain was reduced Lost Time Injuries (LTI), down from 13 to 3 for the same period.

The Lost Time Injury Frequency Rate (LTIFR) for the year was 6.2% in comparison to the Group E Benchmark of similar sized councils of 9.1%.

Health and safety programs continued to have popular support and included Manual Task Awareness training, Health Assessments, Skin Screenings and Influenza vaccinations. The majority of these programs are funded through Health and Wellbeing Funding provided by the City's insurers.



Learning and Development

The City is committed to developing its staff with relevant training and development opportunities. In the financial year, staff attended around 223 training courses, seminars and conferences including mandatory staff training such as first aid certificates and machine tickets, as well as professional development training.

The City's Traineeship program continues to receive a large number of participants and in 2015/16 had a 100% completion rate. The City employed 6 full time trainees and 4 apprentices during the year in areas that included Business, Project Management, Finance, Information Technology, Fitness and Horticulture. 22 staff have or are currently participating in the City's subsidised approved study towards tertiary qualifications. The City also showcased local government as a career option by supporting seven work placements during the year at various locations.

Governance

With the Council Elections held in October 2015, there were a number of newly Elected Members who were required to complete Primary Returns with existing Elected Members and staff completing Annual Returns.

The Governance Department has many routine activities that include issuing and updating of;

- Delegated Authority letters
- Primary and Annual Returns for staff
- Policy reviews
- Gift Register
- Travel Register
- Local Laws and other compliance duties

The City Council resolved to introduce a Cat Local Law 2016 in line with the new Cat Act 2011. The Governance department together with relevant City Officers, drafted the Local Law which was adopted by Council and gazetted in October 2016.

Since then, the Joint Standing Committee on Delegated Legislation has recommended some changes, and as such an amended Cat Local Law 2016 has been re-drafted for Council approval.

The Governance Department has also begun reviewing other relevant local laws given that local governments are required to undertake this process every eight years.

Other Activities

The Manager Organisational Development and Governance (MODG) assisted the Elected Members with the recruitment of a new Chief Executive Officer. The MODG also assisted managers and staff with implementing the restructure that included redeployment of staff, negotiations and some redundancies.

The MODG assisted with the negotiations of a replacement Staff Workplace Agreement for Salaried Officers and other Industrial Relation matters, including disciplinary and performance management issues.



Financial Services Area

Organisational Development and Governance

Council Businesses and Property

Information Management Team

Finance, Assets and Procurement



Council Businesses and Property

Endowment Block

Retail throughout the City has continued to be slow which has contributed to a higher number of vacant shops in the Endowment Block and Hannan Street. The Market Rental Valuation, which lowered rent, increased leasing activity with five tenancies being leased after the rent reductions.

The Goldfields Arts Centre

Goldfields Arts Centre (GAC) renovations have continued with foyer upgrades, a new bar and a revamp of the front of the GAC. This has been a 12 month project and still has a few minor tasks to be completed. Architectural issues have delayed the project, resulting in a much longer than expected time frame.

The gallery appointed a 20 hour per week Visual Arts Coordinator who secured some well renowned artist exhibitions with more to follow in the next 12 months.

Other positives for GAC included the WAM (WA Music) Sounds of the Goldfields project. Ten diverse artists from the Goldfields Region were recorded, the CD then officially launched to a sold out audience at the Goldfields Arts Centre on Saturday 28 May, with live performances from all featured artists plus special guests Eskimo Joe. A huge success, 800 CDs left in the hands of a buzzing 700 strong crowd, with GWN7 calling the launch "the Goldfields' night of nights."

Goldfields Oasis Recreation Centre

The Oasis finished the 2015/2016 financial year \$175,421 ahead of its operating budget and its net subsidy for 2015/16 was \$1,470,300 compared to \$2,396,837 for 2014/2015.

The Oasis has seen major improvements across various areas throughout 2015/16 financial year.

The most significant improvement was the successful implementation of TRP Customer engagement software. This software monitors and provides immediate feedback to staff on the efficiency and effectiveness of all interactions that take place with patrons; in addition, the software also facilitates Net Promoter Score Surveys which provide Oasis Management with critical feedback and trending data on the overall perception of the Centre.

2015/16 has also seen the Oasis gain significant recognition, both within the Leisure Industry and in the local business community, receiving a number of major awards, including;

- Development/Operations Excellence Award
- Technology Alternative Energy Project Excellence Award
- Innovation and Sustainability Award
- The Regional Achievement and Community Awards for Sustainability

Importantly, the Oasis achieved Fitness Australia Gold status (fourth consecutive year) the only local government Recreation Centre in Western Australia to accomplish this.

Oasis programs and services remain in high demand with a Swim School enrolment increase of 14% in 2015/16 of 805 in comparison to 706 in 2014/15. Gold Memberships for 2015/16 were 2333 (1981 Gold and 352 families) compared to 2283 (2080 Gold and 203 families).

The Oasis also formed an agreement with local operator Outback Sports to run the evening Social Sports competition, this partnership has seen increased stadium attendance, booking numbers and income.

The Oasis was one of the key agencies in the planning and implementation of the second instalment of Pledge to Park Run, a free six week program, grant funded, which specifically targeted men to encourage regular exercise and to participate in the 5km Park Run held at Karlkurla Park each Saturday. The Oasis conducted two instructor led classes on



Tuesdays and Thursdays. This unique program is now forming a template for other local governments across the state to effectively run the program themselves and spread awareness of the benefits of exercise for men as they age.

The Oasis Social Media profile continues to grow with over 3900 likes on the official Facebook page and recent significant growth on its Instagram page. Due to the Oasis ongoing marketing and engagement success through social media channels, the Oasis was profiled at the LIWA state aquatics conference on growing sports facilities profile through social media.

Kalgoorlie-Boulder Airport

Passenger numbers for the year revealed a continuing turnaround from the lows of the previous two years when 218,035 arrivals and departures were recorded in 2013/14 and 221,357 in 2014/15. 233,793 Regular Public Transport (RPT) passenger movements were recorded in 2015/16 for revenue of \$5,332,613 – an average of \$446,384 per month. Combined RPT and charter passengers totalled 238,380 for a return of \$5,675,520.

Landing Fee income rose slightly over the year from \$1,198,229 to \$1,266,594.

Total income for the year was approximately \$10 million.

Design work for the replacement of the lighting cable circuit servicing the airport's main runway was completed as was tender documentation for the appointment of an electrical contractor to carry out the work in the 2016/17 financial year.

An ablution block was also constructed in the airport's northern margin for use by departing and arriving charter passengers but also preparatory to creating an attractive public parkland in the area.

Kalgoorlie Golf Course

The Kalgoorlie Golf Course is currently ranked number 18 public access course in Australia and number 4 public access in Western Australia. The course has also been ranked number 25 for the best designed course and 19 for the aesthetics, reinforcing the City's belief that it is a world class course. In 2016 the Kalgoorlie Golf Course won "Regional Golf Course of the Year" and has continued to hold successful WA Goldfields PGA Championships for the last three years. The City has projected that they will continue to hold this first class event for the next three years. Kalgoorlie Golf Course is a popular place to hold corporate events, weddings and functions having the availability to host these events in its large outdoor marquee. These functions have increased from the previous year.

Goldfields Records Storage

In the 2015/16 financial year, the Goldfields Records Storage (GRS) experienced a drop in the volume of work received, corresponding with the slowing of business growth in the region.

Towards the end of the financial year numbers started to increase, with several large clients coming on board. GRS has 4035 boxes in storage and 106 clients.



Financial Services Area

Organisational Development and Governance

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Information Management Team

Finance, Assets and Procurement



Information Management Team

The Information Management Team continues to provide a professional Records Management support service, assisting in the efficient operation of the City of Kalgoorlie-Boulder records management systems and ensuring that the City of Kalgoorlie-Boulder Council and Chief Executive Officer meet statutory and regulatory compliance requirements for recordkeeping. The team now includes the Switch operations which is responsible for all incoming phone calls on the 9021 9600 number.

Records Management

Ensures that all records in any format (eg: faxes, email, incoming and outgoing correspondence, building and planning applications, social media, photographic, minutes and agendas etc.) is captured in to the City's official Electronic Document Records Management System (EDRMS) ECM Core.

Some Information Management operational statistics captured for the past 12 months:

- 66 staff members attended training that was delivered by the Information Management Team
- Information Management Coordinator processed ten Freedom of Information requests
- The IM Team received and processes hard copy correspondence as well as email, faxes and information sent from the website for the City of Kalgoorlie-Boulder. This is a snap shot of what has been completed:
 1. 12,862 items of correspondence
 2. 1249 applications for employment
 3. 415 eRates registrations
 4. 402 Web enquiries
 5. 288 Art Prize entries
 6. 142 venue and facility bookings
 7. 141 snap send and solve
- Goldfields Records Storage (GRS) – We have currently 1100 boxes stored at GRS
- Disposal of city's documentation – approximately 350 boxes for 2015/16 by GRS
- 96,049 items registered in to the electronic document records management system in the last financial year.



Customer Services

Some Switch operational statistics captured for the last 12 months:

- Total calls 18,813
- Switch 12,707
- Rates 1830
- Rangers 1161
- Bookings 377
- Unreceived calls 2738

financial efficiencies by putting SSD's and extra RAM into old machines and redeploying

- Airport fids carousel displays
- SQL server rationalisation
- Expanded VOIP telephony
- Setup redundant connectivity between sites - layer 3

Information Technology

Responsibilities include servers and PCs, wireless and wired network, power, printers, wifi, CCTV, website, mobile devices, graphics and graphic design, intranet, computer application support, telephony, video, cyber security, access control, anything data and anything connected. Projects are ongoing and diverse.

Some of the projects completed include:

- Rebuild of CKB directory structure
- Development of CKB responsive website – suitable for mobiles
- Provision of much better public mapping for Kalgoorlie-Boulder on www.ckb.wa.gov.au
- Provision of Public Wi-Fi at Kingsbury Park. Below shows a typical weeks activity utilising the Wi-Fi from the site:

Application	% Usage	Active time
Facebook	25.1	43 hours
YouTube	19.3	5.9 hours
Snapchat	12.5	14 hours
iTunes	7.2	6.2 hours
Google HTTPS	6.3	22 hours
apple.com	3.6	14 hours

- Provision of Secure mobile access to Council data and programs
- Upgrade of cyber security systems
- Created a new Standard Operating Environment image – new environment
- Provided computer refresh and realised



Financial Services Area

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Finance, Assets and Procurement

Assets and Procurement

Projects

Completed Projects:

Christmas Decorations - Installation of decorations for 2015 in Boulder and Kalgoorlie.

Ray Finlayson Sporting Complex Element 3 – Construction of new playing fields, lighting and reticulation achieved practical completion in October 2015. The project was completed within budget.

Current Projects:

Ray Finlayson Sporting Complex Element 3 – One year growing in period from practical completion for the playing fields commenced in November 2015. Due to contractual issues the City's Parks and Gardens team took over this element of the contract from May 2016.

Ray Finlayson Sporting Complex Element 4 – Changing rooms and clubrooms – Construction commenced in January 2016 with the project completed in September 2016. The project was completed within budget.

Lord Forrest Olympic Pool – Tender awarded in May 2016 and works commenced on site in July 2016. Due for completion in April 2017

Goldfields War Museum – Contract with current contractors was terminated by agreement. The project is ready to tender and has been deferred until 2017/18 financial year due to budget constraints.

SES Building – The tender documents for the new location are completed and ready for issue subject to agreement with DFES on the method of funding for the project.

St Barbara Square Toilets – The new toilet facility design is in progress. The project is due to go to tender when tender documentation is complete in mid 2016/17.

Tenders and Procurement

Procurement has issued 19 tenders through the TenderLink portal, including 3 for Goldfields Voluntary Regional Organisation of Councils (GVROC) regional projects.

VendorPanel is the City's online system utilised for obtaining and managing requests for quotations for goods and services. It contains approved panels of local suppliers for quotes of value up to \$149,999. There was a 59% increase in the number of quotations issued through vendor panel.

A number of new and revised policies were adopted by Council in May 2016. The new Regional Price Preference Policy increased the preference given to local businesses. It enables the maximum weighting allowed under the Local Government Regulations when competing with non-local suppliers.

Asset Management

Asset registers have been reviewed and correspond with fair value valuations. Asset management plans have been substantially progressed for all of the City's primary infrastructure asset classes. Revised Asset Management Policy, Strategy and Asset Management plans which integrate into the Intergrated Planning and Reporting (IP&R) are in development.

Asset Management support is also provided to the GVROC as part of a Department of Local Government funded project. A National Assets Framework study of all of the GVROC members has been carried out, with NAMs Plus 3 training being provided to all GVROC members. Work is underway to ensure all members have adopted Asset Management Policies, Strategies and Asset Management plans by the end of 2016/17.

Financial Management

Financial Management of the City's resources lies with the Finance team who are responsible for maintaining property records and rating, day to day accounting, investing surplus funds, calculation and payment of salaries and wages, procurement and repayment of loans, and computerised purchasing of materials and services. Interim and final audits are completed each year, to ensure reporting and financial management practices are in accordance with legislative and Council requirements. The Finance team also provides support to the rest of the organisation, while providing financial advice to Council and its executive. The Finance Team report to the Audit Committee. Part of Financial Management is the calculation of performance indicators to highlights trends.

A summary of these performance indicators is listed below:

		Target	2016	2015	2014	2013
Current Ratio	Measures Liquidity - the ability to cover short term liabilities by Cash, Debtor income and Inventories.	≥ 1.00	0.588	0.812	0.583	0.68
Asset Sustainability Ratio	Measures whether non financials assets are being replaced at the same rate as they are wearing out	≥ 90	0.403	0.875	1.117	1.05
Debt Service Cover Ratio	Measures the ability to service debt from uncommitted funds	≥ 2.00	0.858	-0.619	0.574	7.36
Operating Surplus Ratio	Measurement of financial sustainability – the ability to service needs of the community, future capital expenditure, funds to reserves and debt reduction	≥ 0.01	-0.251	-0.243	-0.11	-0.04
Own Source Revenue Coverage Ratio	Measures the ability to cover costs through own revenue efforts	≥ 0.40	0.76	0.803	0.776	0.85
Asset Consumption Ratio	Measures the extent to which assets have been used by comparing their written down value to replacement cost	≥ 0.50	0.991	0.73	N/a	N/a
Asset Renewal Funding Ratio	Measures whether planned capital renewal expenditure is sufficient to meet required capital renewal expenditure	≥ 0.75	0.519	0.475	N/a	N/a

Recording of Assets at Fair Value

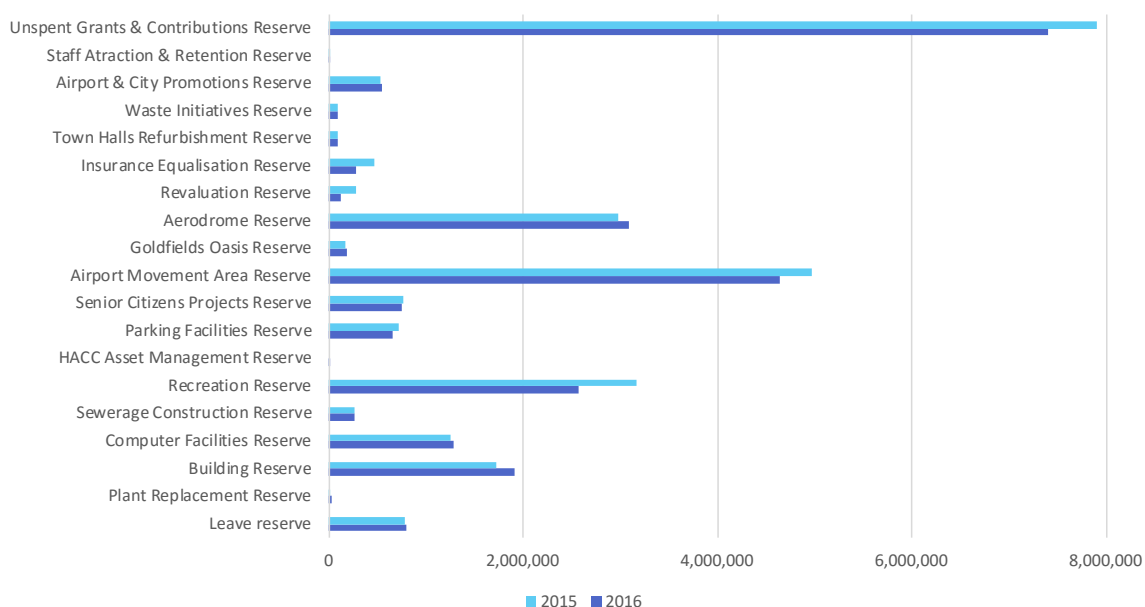
Effective from 1 July 2012, the Local Government (Financial Management) Regulations were amended and measurement of non-current assets at Fair Value became mandatory. This has been phased in over three years and transitions the value of non-current assets from historic cost to their assessed value by market or other determinations at the current time. Furniture, plant and equipment were revalued in 2016, their fair value being \$16,289,312, and resulting in a net increase on revaluation of \$2,537,761.

Cash Backed Reserves and Investment of Surplus Funds

The Chief Financial Officer is responsible for the investment of Reserve Funds and Operational Funds. Investments are term deposits of up to 12 month's duration, with major financial institutions, and in accordance with Regulation 19C of Local Government (Financial Management) Regulations 1996. During 2015/16 Council invested an average of \$26 million, with a peak of \$31.6 million during the rate collection season.

Most of the 19 Reserves held have been established over the years to allow for development to occur without a major impact on rating or the need to borrow funds. Other reserves are to smooth operating expenses from year to year, like Leave Reserve and the Insurance Equalisation Reserve. Total of Cash Backed Reserves held at 30 June 2016 was \$24,774,675 including unspent loans of \$820,628 compared to \$26,202,263 in 2015 and unspent loans of \$820,628.

Cash Backed Reserves



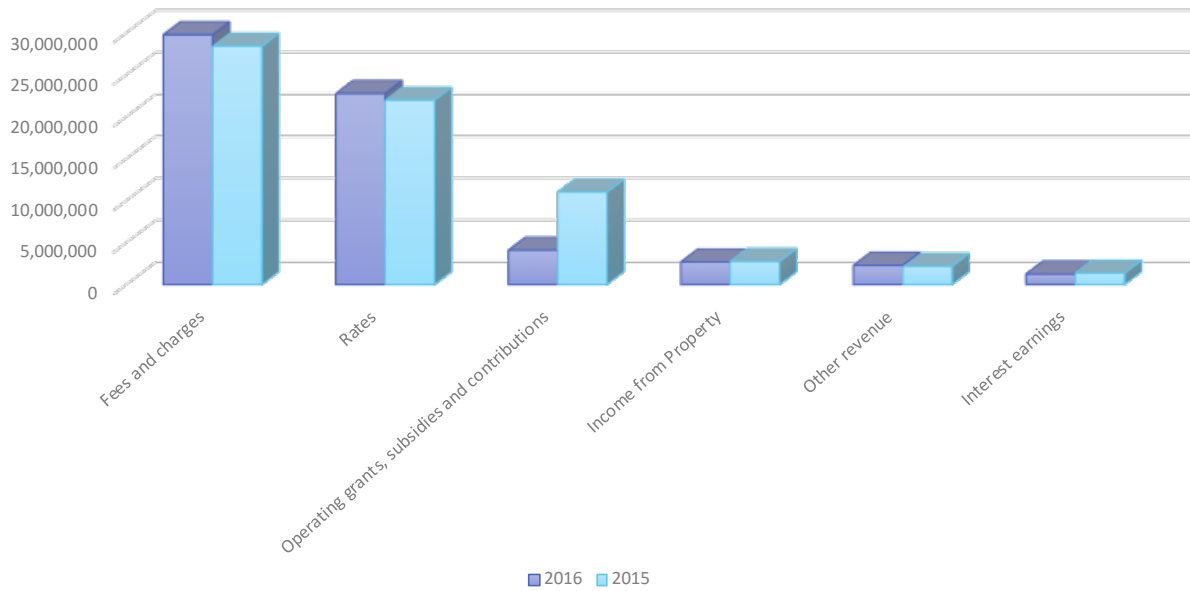
Financial Reporting

The Finance team presented Council with timely and accurate financial reports during the year as well as various management reports for the Airport, Golf Course and Oasis Committee Meetings. Special reports for Officers responsible for Income, Purchasing, Grant funding, and projects are also produced to assist Management of monies and resources. A snapshot of the City's Financial Data for 2015/16 is below:

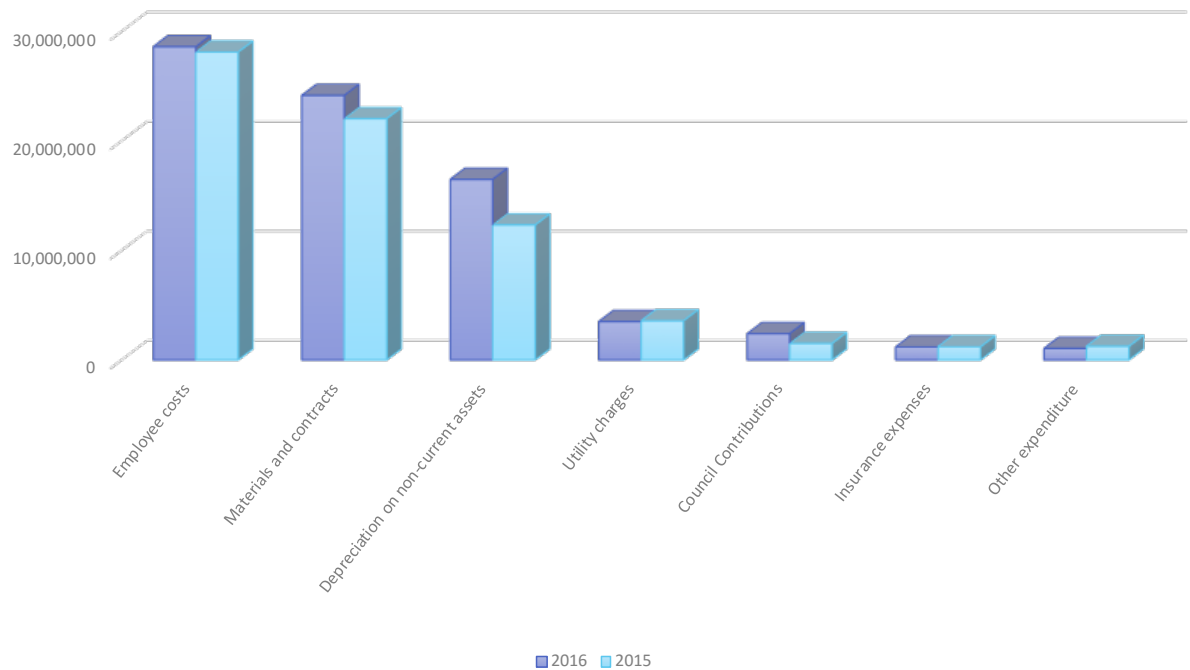
Operating Income	\$62,801,766
Income from Rates (included in above)	\$22,745,868
Income from Grants and Contributions	\$4,087,536
Operating Expenditure	\$77,916,923
Net Result	-\$1,662,983
Capital Income from Grants	\$14,145,638
Decrease in Cash and Cash Equivalents	\$4,695,435
Decrease in Reserves	\$1,427,588
Increase in Property, Plant and Equipment	\$4,536,232
Decrease in Infrastructure	\$424,466
Increase in Current Receivables	\$1,431,861
Increase in Payables	\$1,845,778
Decrease in Long Term Borrowings	\$972,230

The following Charts show Operating Income and Expenditure by Nature and Type and Capital Expenditure by Type:

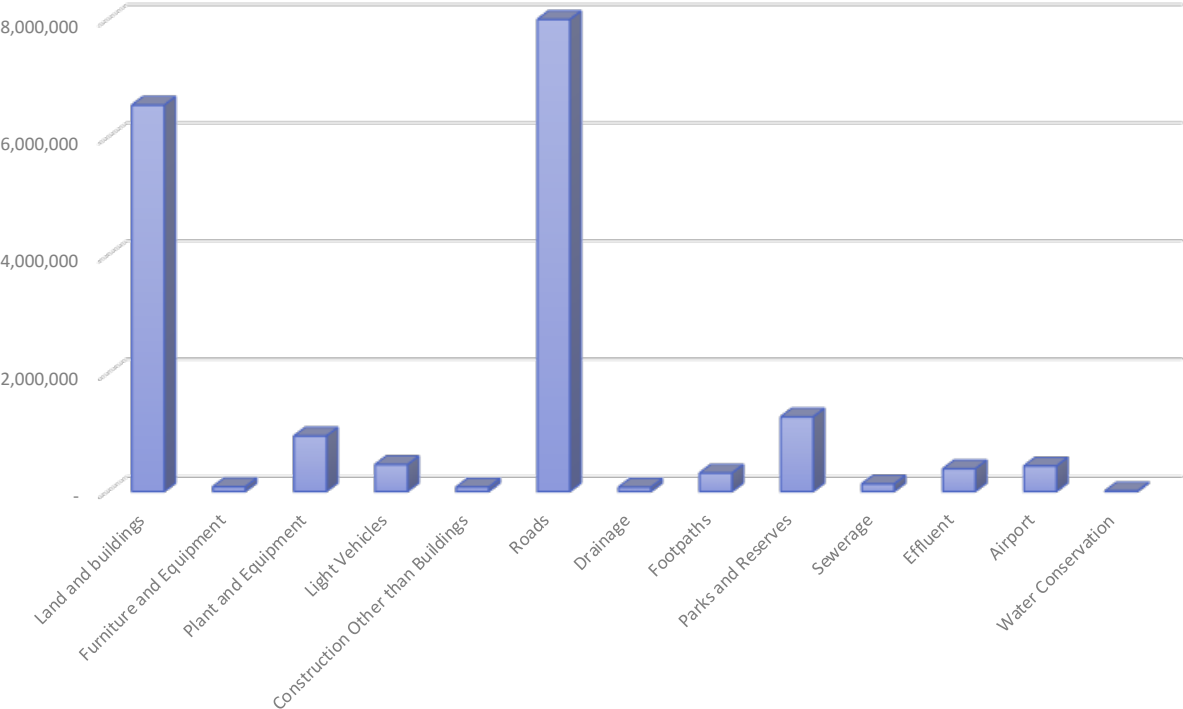
Operating Income



Operating Expenditure

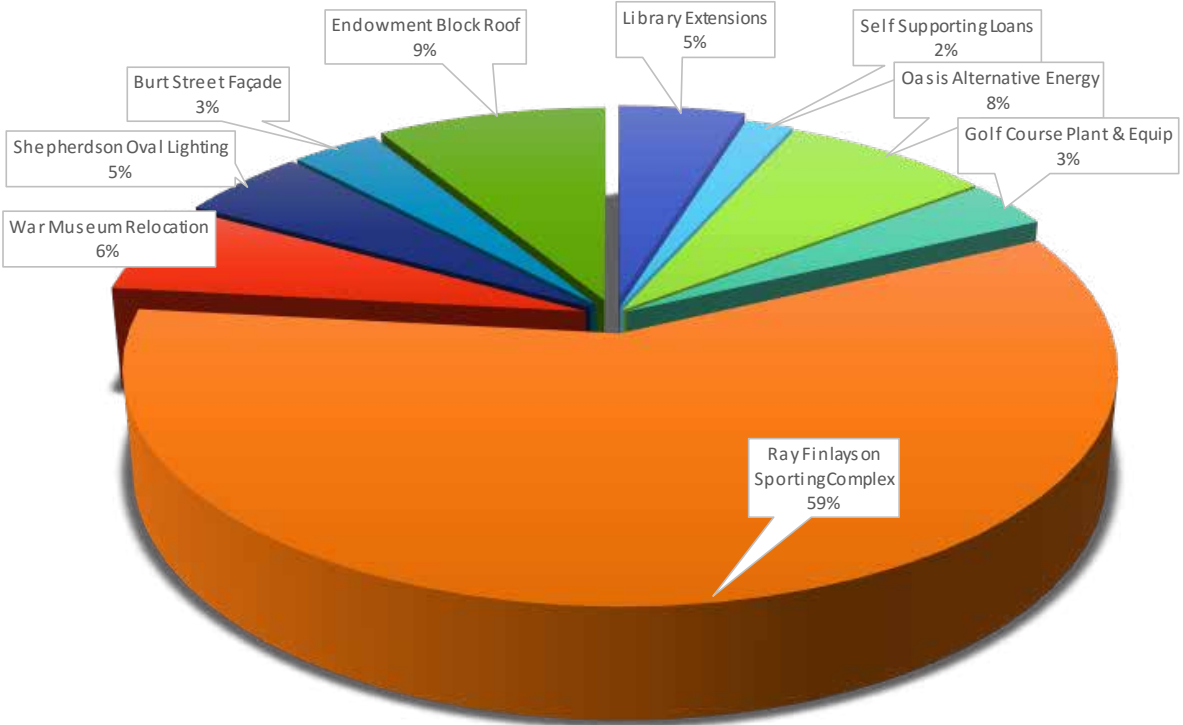


Capital Expenditure



Loan Indebtedness

Overall Loan Indebtedness has decreased from \$12.9 million in 2015 to \$12.0 million in 2016. Loans are distributed as follows:



National Competition Act Compliance

The City of Kalgoorlie-Boulder, in satisfaction of the provisions of clause seven of the Competition Principles Agreement, offers the following reports on activities which occurred during 2015/16.



Competitive Neutrality

This principle deals with ensuring that government business operations have no advantage or disadvantage in comparison with the private sector.

The policy dictates that competitive neutrality should apply to all business activities which generate a user pays income of over \$200,000 unless it can be shown that it is not in the public interest. In this regard, no significant new business activities for the purposes of competitive neutrality were initiated or considered during the year and no non-compliance allegations were made.

Payment to Employees

Set out below in bands of \$10,000 is the number of employees of the City entitled to an annual salary of \$100,000 or more.

Salary Range \$	2016	2015
310,000 - 319,999	1	0
270,000 - 279,999	0	1
200,000 - 209,999	1	0
190,000 - 199,999	0	2
180,000 - 189,999	2	0
170,000 - 179,999	1	1
160,000 - 169,999	0	1
150,000 - 159,999	1	1
140,000 - 149,999	4	4
130,000 - 139,999	6	5
120,000 - 129,999	6	5
110,000 - 119,999	5	5
100,000 - 109,999	13	11



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Status Report 2015/2016 Annual Plan

Corporate Business Plan 2013/17



Theme 1: Develop Quality of Life

Goal 1.1: A family friendly city that encompasses inclusive and accessible sport and recreation
Outcome: Kalgoorlie-Boulder is perceived as a family friendly city by residents and tourist making it a better place to live and visit.

Action	Success Indicator	Associated Costs/Timeframe					Responsible Department	
		Total Cost	13/14	14/15	15/16	16/17		
Strategy 1.1.1: Provide appropriate facilities and services for families and children								
Develop the Kalgoorlie City Centre Revitalisation Project and implementation plan.	Plan has been created, application for Royalties for Regions funds submitted	\$320,000	•	•	•		Manager Planning, Development and Regulatory Services	Completed
Implement Kalgoorlie CBD streetscape improvement plan	Plan is being implemented	C\$10 million		•	•		Manager Planning, Development and Regulatory Services	Ongoing
Develop the Lord Forrest Olympic Pool site into world class youth facility	Safe, secure, well lit precinct for youth	C\$1.25 million	•	•	•		Manager of Finance, Assets and Procurement	Ongoing
Continue to develop and evolve the William Grundt Library to cater for the broader community needs	Increased membership at the library through raising the profile in the community	\$1.4 million Per annum	•	•	•	•	Manager Community Services	Ongoing
Provide consistent support to the elderly and disabled community members serviced through the EGCC via Meals on Wheels, HACC and Men's Sheds.	Compliance with HACC requirements	\$2.2 million Per annum	•	•	•	•	Manager Community Services	Ongoing
Continue to administer and enforce the City's Town Planning Scheme	Proper and orderly planning. Compliance issues are followed through.	\$1.4 million Per annum	•	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing
Develop Open Space Strategy	Needs and usage analysis of Open Space is completed, rationalisation/provision of Open Space	\$20,000	•	•			Manager Planning, Development and Regulatory Services / Manager Infrastructure and Open Space	Completed (Annual Review)
Maintain and provide passive parks, playgrounds and gardens that support community needs	Community needs are met through active use of playgrounds	\$2.6 million Per annum	•	•	•	•	Manager Infrastructure and Open Space	Ongoing
Continue to oversee the operation of the Kalgoorlie Golf Course	Ongoing decrease in operational subsidy. Increase in participation	\$4 million Per annum	•	•	•	•	Executive Manager Council Businesses and Property	Ongoing

Strategy 1.1.2: Provide and promote sport, recreation and leisure facilities and programs										
Continue to provide a quality recreation service through the Goldfields Oasis Recreation Centre		Ongoing decrease in operational subsidy. Increase in participation	\$5.9 million Per annum	•	•	•	•	•	Executive Manager Council Businesses and Property	Ongoing
Implement alternate energy source at the Goldfields Oasis		Oasis becomes further self reliant on power and increase sustainability	C \$450k	•					Executive Manager Council Businesses and Property	Completed
Construction of Ray Finlayson Sporting Complex GEC clubrooms and sporting fields		Ray Finlayson Sporting Complex operational	C \$5.5 million		•	•	•		Manager of Finance, Assets and Procurement	Ongoing
Construct the Ray Finlayson Sporting Complex multipurpose clubrooms and squash courts		Ray Finlayson Sporting Complex operational	C \$6.6 million \$ 9.8 Million		•	•	•		Manager of Finance, Assets and Procurement	Ongoing
Strategy 1.1.3: Assist sport and recreation clubs and groups										
Maintain and provide facilities and support to sporting groups in Kalgoorlie-Boulder		Active sporting groups catering to all ages within the community	\$1.5 million Per annum	•	•	•	•	•	Manager Infrastructure and Open Space	Ongoing

Theme 1: Develop Quality of Life

Goal 1.2: Better/More Essential Services such as hospitals, schools and police
Outcome: Reduction in the need for residents to leave the City to live elsewhere for opportunities including education and medical care

Action	Success Indicator	Associated Costs/Timeframe				Responsible Department	
		Cost	13/14	14/15	15/16		16/17
Strategy 1.2.1: Advocate for provision of suitable health and medical facilities and services							
Lobby for increasing professionals and services as part of the hospital upgrade and community programs	Improved services for disadvantaged and most at risk	In House	•	•	•	CEO	Ongoing
Lobby for additional services to children with special needs	Improved Patient Assistance	In House	•	•	•	CEO	Ongoing
Lobby for a residential rehabilitation centre to be built in Kalgoorlie-Boulder	A residential centre is built	In House	•	•	•	CEO	Ongoing
Lobby for expansion to the drug and alcohol withdrawal unit	Intake increase from 4 beds to 12 beds	In House	•	•	•	CEO	Ongoing
Strategy 1.2.2: Advocate for improved education facilities and services							
Maintain a strong trainee/apprenticeship program	Increased career opportunities and awareness for youth within the community	\$418,000 Per annum	•	•	•	Manager Organisational Development	Ongoing
Provide for the education needs of the Hannans district	Adequate zoned land provided for education facilities in the Hannans district	In House	•			Manager Planning, Development and Regulatory Services	Completed
Strategy 1.2.3: Facilitate the provision of a range of aged care facilities							
Lobby government for additional nursing home beds	Additional nursing home beds are available	In House	•	•	•	CEO	Ongoing

Theme 1: Develop Quality of Life

Goal 1.3: Kaigoorlie-Boulder will be a safe place to live
Outcome: Kaigoorlie-Boulder residents will feel safe throughout the town and be able to conduct reasonable activity without fearing for their safety

Action	Success Indicator	Associated Costs/Timeframe				Responsible Department	
		Cost	13/14	14/15	15/16		16/17
Strategy 1.3.1: Collaborate with law enforcement authorities to support crime prevention programs							
Develop and implement a community safety plan	Community feedback on safety within the community via surveys	\$75,000 Per annum	•	•	•	Executive Manager Economy and Growth	Completed
Administer and enforce the City's Local Laws and Community Safety Plan including CCTV (Other Law Order, Public Safety)	Resident satisfaction survey completed	\$550,000 Per annum	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing
Strategy 1.3.2: Provide public and environmental health services in accordance with legislative requirements							
Continue to administer the City's Health Local Law and requirements of the Health Act	Undertake surveillance inspections in accordance with the City's Environmental Health Plan	\$1.3 million Per annum	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing
Continue to provide a quality Building Control service in accordance with legislation	Determine permits within KPIs. Undertake appropriate compliance action.	\$1.2 million Per annum	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing
Continue to provide and maintain public toilets throughout the City	Rating received through the City's annual customer satisfaction survey	\$295,000 Per annum	•	•	•	Executive Manager Council Businesses and Property	Ongoing
Strategy 1.3.3: Advocate for funding for appropriate lighting in streets and public places							
Develop an improvement program for playgrounds and parks	Increased safety of parks and playgrounds	\$200,000 Per annum	•	•	•	Manager Infrastructure and Open Space	Ongoing
Strategy 1.3.4: Provide animal management services in accordance with legislative requirements							
Continue to provide a quality ranger service	Timely response and resolution of customer service requests	\$787,000 Per annum	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing

Theme 1: Develop Quality of Life

Goal 1.4: Adopt Environmental best practice (green power, recycling, waste management, water)
Outcome: The City become a clean and green city that sets the standard for the region

Action	Success Indicator	Associated Costs/Timeframe				Responsible Department	
		Cost	13/14	14/15	15/16		16/17
Strategy 1.4.1: Support the preservation and regeneration of natural habitats including City managed reserves							
Review/develop sustainability, ecological and natural resource planning policies.	Review of policies complete, adopted by Council, WAPC and used for determining applications.	In House	•	•		Manager Planning, Development and Regulatory Services	Completed (Annual Review)
Incorporate the principles of sustainability and the preservation and enhancement of natural habitats into City Strategic Plans.	Sustainability and natural habitats are considered at strategic planning stage.	In House	•	•	•	Manager Development Services	Ongoing
Strategy 1.4.2: Support and promote responsible waste management and recycling into the future							
Continue to provide a weekly general waste and fortnightly recyclables pick up for each residence in the City	Continuing service provided	\$1.8 million Per annum	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing
Continue to provide a Sanitation service to commercial properties and street bin service.	Continuing service provided	\$550k Per annum	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing
Provide a landfill service to the City	Contract in place and meeting DEC license requirements	\$2.3 million Per annum	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing

Strategy 1.4.3: Identify and develop water harvesting and waste water reuse opportunities										
Continue to provide a quality Sewerage system that is fully funded through Sewerage Rates	Meeting ERA and DEC license requirements	\$6.5 million Per annum	•	•	•	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing
Continue to provide recycled water service for parks and commercial	100% reuse and meet health department compliance	\$840k Per annum	•	•	•	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing
Encourage the design in of water sensitive urban design techniques during the planning of development	Develop and implement a Water Sensitive Urban Design planning policy	\$20,000	•						Manager Planning, Development and Regulatory Services	TBC

Strategy 1.4.4: Investigate and adopt energy efficiency practices in Council operations										
Investigate options around increasing green power through alternate energy projects such as solar photovoltaic (PV) units	Investigations complete with a range of options available for uptake by the local government	\$550k Per annum	•	•	•	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing
Methane control at landfill to reduce the City's carbon liability	Methane destruction and lowered carbon tax liability	\$90k Per annum	•	•	•	•	•	•	Manager Planning, Development and Regulatory Services	Completed (dropping of carbon tax indefinitely deferred this project)
Methane control at landfill to reduce the City's carbon liability	Methane destruction and lowered carbon tax liability	C \$750,000	•						Manager Planning, Development and Regulatory Services	Completed (dropping of carbon tax indefinitely deferred this project)

Theme2: Encourage city wide community and development opportunities

Goal 2.1 Creating cultural vibrancy and inclusion as well as demonstrating the character of the City
Outcome: Residents who are engaged in developing the culture of the city

Action	Success Indicator	Cost	Associated Costs/Timeframe				Responsible Department
			13/14	14/15	15/16	16/17	
Strategy 2.1.1 Promote and support community and cultural events							
Ongoing development of new and existing community events	Continue to maintain successful CKB calendar of events	\$600,000 Per annum	•	•	•	•	Executive Manager Economy and Growth
Review Council's Public Art Policy	Public art policy updated Burt Street public art project completed	\$200,000	•				Executive Manager Economy and Growth
Operate a vibrant Goldfields War Museum within the Boulder Town Hall complex	Develop modern interactive exhibitions increased involvement of stakeholders	\$150,000 Per annum	•	•	•	•	Manager Community Services
Integrate the Goldfields War Museum within the Boulder Town Hall complex	Goldfields War Museum integrated and functioning as part of the Boulder Town Hall	C-\$850,000	•				Manager Community Services/Manager Finance, Assets and Procurement
Oversee the operation and management of the Goldfields Art Centre	The GAC is operating effectively and efficiently	\$200,000	•	•	•	•	Executive Manager Council Businesses and Property
Strategy 2.1.2 Work in partnership with community groups							
Develop Burt Street as an art and cultural precinct	Implementation plan is developed	In House	•	•			Manager Community Services
Burt Street Heritage Precinct Project	Completion of the project in accordance with the Master Plan adopted by Council	C \$3.1 million	•				Executive Manager Council Businesses and Property
Strategy 2.1.3 Support community initiated and owned projects							
Develop a Youth Strategic Plan and provide youth development	An active CKB Youth Council Provide quality events and activities for young people in CKB Develop a safe youth space	\$76,000 Per annum	•	•	•	•	Manager Community Services
Strategy 2.1.4 Ensure people with disabilities can access and use City facilities and services							
Continue to review and develop the Disability Access and Inclusion Plan	Plan continuously reviewed and updated to reflect changing standards and legislation	In House	•	•	•	•	Manager Community Services

Theme 2: Encourage city wide community and development opportunities

Goal 2.2 More Cultural cohesion and acceptance

Outcome: Increased multicultural diversity and acceptance of all races, religions and culture by the vast majority of residents

Action	Success Indicator	Associated Costs/Timeframe				Responsible Department	
		Cost	13/14	14/15	15/16		16/17
Strategy 2.2.1 Promote and develop understanding of indigenous heritage and culture							
Develop a plan to integrate Aboriginal heritage trail in the City's infrastructure	Aboriginal people feel a sense of belonging in CKB whilst identifying with their Aboriginal culture	C. \$35,000	•			Executive Manager Economy and Growth	TBC
Support the promotion of Aboriginal Art & Culture and improve visibility of local/regional Aboriginal heritage	Aboriginal art is recognised, more widely available, part of the City heritage and tourism	In House	•	•	•	Executive Manager Economy and Growth	Ongoing
Strategy 2.2.2 Promote and engage the cultural diversity of the City							
Continue the successful collaboration between City multicultural groups to hold an annual festival event	An annual multicultural festival is held in the City	\$50,000 Per annum	•	•	•	Executive Manager Economy and Growth	Ongoing

Theme 3: Boost Economic Development and Tourism

Goal 3.1 Make Kalgoorlie-Boulder an attractive place to visit for tourists
Outcome: The City to boost tourism and realise the corresponding benefits

Action	Success Indicator	Associated Costs/Timeframe					Responsible Department	
		Cost	13/14	14/15	15/16	16/17		
Strategy 3.1.1 Promote and support local tourism opportunities								
Develop a Tourism Strategy	Strategy has been adopted by Council and strategies are being implemented	\$300k	•				Executive Manager Economy and Growth	Completed
Strategy 3.1.2 Provide infrastructure and services to support tourism								
Development of a premier resort at Kalgoorlie Golf Course, including a community facility, a club house, café/restaurant, function facility and meeting rooms	Master Plan completed and adopted by Council. Buildings constructed and facility operational.	C \$25 million	•				Executive Manager Council Businesses and Property/CFO	Ongoing
Continue to maintain the City's Town Halls and other public buildings to meet the needs of the community	Asset Management Plan adopted for City's buildings. Buildings maintained in accordance to the level of service and budget adopted by Council	\$1.4 million Per annum	•	•	•	•	Manager Finance, Assets and Procurement	Ongoing
Continue to own and operate the Kalgoorlie-Boulder Airport.	Return on investment based on annual Council determination	\$6.6 million Per annum	•	•	•	•	Executive Manager Council Businesses and Property	Ongoing
Outcome 3.1.3 Support regional tourism initiatives that provide local tourism growth								
Ongoing development and promotion of History and Heritage in the City.	Develop heritage events and exhibitions calendar with stakeholders. Ongoing tours of historic streets, buildings and places	\$50,000 Per annum	•	•	•	•	Manager Community Services	Ongoing
Investigate and develop provision of free public WiFi in the City Centres.	Accessible WiFi Burt and Hannan Streets and other nominated areas	\$200,000	•				Manager Information Systems	Ongoing

Theme 3: Boost Economic Development and Tourism

Goal 3.2 Increased population and growth
Outcome: That Kalgoolie-Boulder grows as a city and reaches a population of at least 50,000 by 2022

Action	Success Indicator	Associated Costs/Timeframe					Responsible Department	
		Cost	13/14	14/15	15/16	16/17		
3.2.1 Attract new residents through promoting and marketing the benefits of living in the City								
Implement the marketing and promotional plan	Strategy has been adopted by Council. Implementation as per strategy.	\$100,000	•				CEO	Completed
3.2.2 Investigate and promote housing development								
Subdivide existing landholdings (Lot 501 & 778) and identify opportunities for other residential sub divisions	Subdivision complete and residential lots being sold	\$1.2 million	•				Executive Manager Council Businesses and Property	Ongoing
Develop Housing Land Availability Study	Study of City freehold land complete with recommendations.	In House	•				Manager Planning, Development and Regulatory Services	Completed
Ensure appropriate planning controls for land use and development are in place and up to date.	Development of new Town Planning Scheme and other relevant strategies and planning policies	\$100,000	•	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing
3.2.3 Maintain links with Government agencies and Mining industry								
In partnership with the GEDC develop a population growth plan	Plan has been developed within 2 years and actions are being implemented over the next four to five years	In House	•	•	•	•	CEO	Ongoing
Engage with mining companies to understand their future expansion plans and how local government may facilitate this remaining mindful of the community's interests.	Development of mining impact studies	In House	•	•	•	•	CEO	Ongoing

Theme 3: Boost Economic Development and Tourism

Goal 3.3 More diversified industry
Outcome: Increasing number of diverse businesses; Less reliance on external servicing; results and/or updates of each measure published online annually

Action	Success Indicator	Associated Costs/Timeframe					Responsible Department
		Cost	13/14	14/15	15/16	16/17	
3.3.1 Promote and support local industry development and initiatives							
Monitor international initiatives where they have developed successful economically diverse industries other than mining.	Sister City Relationships developed	In House	•	•	•	•	CEO
							TBC
3.3.2 Ensure the provision of serviced commercial and industrial land							
Continue to maintain and lease the Endowment Block Buildings.	Building is maintained to a high standard and premises leased on a commercial basis	\$405,000 Per annum	•	•	•	•	Executive Manager Council Businesses and Property
							Ongoing
3.3.3 Develop and strengthen relationships with local businesses							
In partnership with the KBCCI undertake a local business census and develop a local business register that is updated annually.	Census is complete and register is developed and being updated annually	In House	•	•	•	•	CEO/Executive Manager Economy and Growth
Develop digital strategy for the implementation of the National Broadband Network.	Completion of digital strategy and further engagement with local business	In House	•	•	•	•	Manager Information Systems
							Ongoing

Theme 3: Boost Economic Development and Tourism

Goal 3.4 Integrated transport network (road, rail, paths) that is safe

Outcome: Residents and tourists can move in and around the city safely, whether it be walking, driving or catching other forms of transport

Action	Success Indicator	Associated Costs/Timeframe					Responsible Department	
		Cost	13/14	14/15	15/16	16/17		
Strategy 3.4.1 Maintain and further develop roads and pathways at appropriate standards								
Annual safety traffic reviews and implementation	Black Spot and other funding applications approved	C \$1.033 million	•	•	•	•	Manager Infrastructure and Open Space	Completed 2014/2015 Ongoing
Continue to maintain and improve the standard of the City's road network, bridges and depots in accordance with the adopted plan	Compare the City's road condition against other road condition surveys completed in 2012/13	\$11.34 million Per annum	•	•	•	•	Manager Infrastructure and Open Space	Completed 2014/2015 Ongoing
Continue to maintain and improve the standard of the City's road network, bridges and depots in accordance with the adopted plan	Compare the City's road condition against other road condition surveys completed in 2012/13	C\$7.7 million	•	•	•	•	Manager Infrastructure and Open Space	Completed 2014/2015 Ongoing
Continue to maintain street verges, street trees, median strips, roundabouts and environmental rehabilitation areas	Maintain a clean and green perception of the City and maintain compliance to Energy safe guidelines	C\$2.7 million	•	•	•	•	Manager Infrastructure and Open Space	Ongoing
Rolling 5 year footpath program	Reviewed annually	\$389,000 Per annum	•	•	•	•	Manager Infrastructure and Open Space	Completed 2014/2015 Ongoing
Strategy 3.4.2 Collaborate with Government Departments on Regional Road Issues								
Work with the State Government to finalise planning for the Port Link Project including the Intermodal Hub	The Port Link Project planning phase completed within 2 years	State Government	•	•	•	•	Manager Planning, Development and Regulatory Services	Ongoing
Lobby for dual carriageway in West Kalgoorlie	Main Roads WA funds upgrade	State Government	•	•	•	•	CEO	In progress

Theme 4: Ensure Civic Leadership

Goal 4.1 A financially stable local government
Outcome: A Council that is efficiently operated, running a surplus budget each year and meeting the needs of the community

Action	Success Indicator	Associated Costs/Timeframe					Responsible Department	
		Cost	13/14	14/15	15/16	16/17		
Strategy 4.1.1 Maximise the financial viability of the Council								
Financial governance procedures updated to reflect statutory requirements and best practice	Statutory requirements adopted by Council unanimously and governance procedures being used by Councillors at Council meetings	In House	•	•	•	•	CFO	Ongoing
Council to consider the impact on the long term financial for new major capital decisions	Administration to provide financial impact information with each new project	In House	•	•	•	•	CFO	Ongoing
Maximise the efficiency of the Council through enhanced communication and implementation of hardware and software infrastructure	Benchmark the existing efficiency and demonstrate productivity increases and savings	C \$1.5 million			•	•	Manager Information Systems	Ongoing
Strategy 4.1.4 Manager integrated planning and reporting in accordance with Local Government regulations								
CBP reviewed and updated annually	CBP Plan is monitored throughout the year and updates reflected annually	In House	•	•	•	•	CEO	Ongoing
Asset Management plan reviewed and updated annually	AM Plan is monitored throughout the year and updates reflected annually	In House	•	•	•	•	CFO	Completed
Long Term Financial Plan reviewed and updated annually	LTF Plan is monitored throughout the year and updates reflected annually	In House	•	•	•	•	CFO	TBC

Theme 4: Ensure Civic Leadership

Goal 4.2 The City receives appropriate support from state and federal governments as well as recognition of the importance of Kalgoorlie-Boulder
Outcome: Kalgoorlie-Boulder is recognised nationally as a significant city and is accordingly given significant state and federal grants that will benefit the city, regions and the nation

Action	Success Indicator	Associated Costs/Timeframe					Responsible Department
		Cost	13/14	14/15	15/16	16/17	
Strategy 4.2.1 Represent and promote the City in Regional, State and National forums							
Consult and identify who the best public servants would be to based in Kalgoorlie	Increased presence of public servants based in Kalgoorlie Higher number of federal / state politicians visiting Kalgoorlie	In House	•	•	•	•	CEO Ongoing
Lobby State and Federal Governments for funding for projects	Funding received	In House	•	•	•	•	CEO Ongoing
Identify key state and federal government contacts to develop relationships with and inform them of the SCP & CBP development	Contacts have been identified and meetings are being held with them on a biannual basis	In House	•	•	•	•	CEO Ongoing
Create a realistic plan of engagement with State and Federal government in involving them in the Local government's CBP	Communications are happening quarterly around IPR framework with notes from interactions kept and available to Council administration	In House	•	•	•	•	CEO Ongoing
Strategy 4.2.2 Promote and collaborate with other Councils on a local and regional level							
Ongoing membership of the Goldfields Voluntary Regional Organisation of Councils	Attend meetings and collaborate on regional projects on a regular basis	\$10,000 Per annum	•	•	•	•	CEO Ongoing
Ongoing membership of the WA Regional Capital Cities Alliance	Attend meetings and collaborate on strategies with participating City's on a regular basis	\$50,000 Per annum	•	•	•	•	CEO Ongoing

Financial Report

For the year ended 30 June 2016



CITY OF KALGOORLIE-BOULDER
FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

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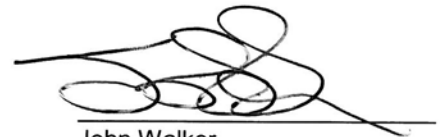
Principal place of business:
577 Hannan Street,
KALGOORLIE WA 6430

**LOCAL GOVERNMENT ACT 1995
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996**

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the City being the annual financial report and other information for the financial year ended 30 June 2016 are in my opinion properly drawn up to present fairly the financial position of the City at 30th June 2016 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed as authorisation of issue on the 7th day of December 2016



John Walker
Chief Executive Officer

CITY OF KALGOORLIE-BOULDER
STATEMENT OF COMPREHENSIVE INCOME
BY NATURE OR TYPE
FOR THE YEAR ENDED 30TH JUNE 2016

	NOTE	2016 \$	2016 Budget \$	2015 \$
Revenue				
Rates	23	22,745,868	23,658,546	21,958,575
Operating grants, subsidies and contributions	30	4,087,536	6,576,421	11,009,681
Income from Property		2,685,653		2,743,490
Fees and charges	29	29,750,141	30,458,285	28,396,540
Interest earnings	2(a)	1,244,549	1,408,878	1,349,882
Other revenue	2(a)	2,288,019	7,972,112	2,168,437
		<u>62,801,766</u>	<u>70,074,242</u>	<u>67,626,605</u>
Expenses				
Employee costs		(28,604,703)	(27,753,153)	(28,118,289)
Materials and contracts		(24,152,661)	(21,311,763)	(22,028,939)
Utility charges		(3,502,752)	(3,297,696)	(3,577,031)
Council Contributions		(2,395,306)	0	(1,501,478)
Depreciation on non-current assets	2(a)	(16,491,709)	(12,292,020)	(12,327,132)
Interest expenses	2(a)	(528,192)	(911,683)	(379,207)
Insurance expenses		(1,187,652)	(1,350,005)	(1,203,636)
Other expenditure		(1,053,948)	(3,091,329)	(1,242,854)
		<u>(77,916,923)</u>	<u>(70,007,649)</u>	<u>(70,378,566)</u>
		(15,115,157)	66,593	(2,751,961)
Non-operating grants, subsidies and contributions	30	14,145,638	10,469,918	4,991,888
Profit on asset disposals	21	7,861	226,140	46,467
(Loss) on asset disposals	21	(673,859)	(107,055)	(152,695)
Fair value adjustments to financial assets at				
(Loss) on revaluation of infrastructure - parks and reserves	7(b)	0	0	(10,922,757)
(Loss) on revaluation of furniture and equipment	6(b)	(65,980)	0	0
Reversal of prior year loss on revaluation of plant and equipment	6(b)	38,514	0	0
Net result		(1,662,983)	10,655,596	(8,789,058)
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	13	2,565,227	0	214,419,238
Total other comprehensive income		2,565,227	0	214,419,238
Total comprehensive income		902,244	10,655,596	205,630,180

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

CITY OF KALGOORLIE-BOULDER
STATEMENT OF COMPREHENSIVE INCOME
BY PROGRAM
FOR THE YEAR ENDED 30TH JUNE 2016

	NOTE	2016 \$	2016 Budget \$	2015 \$
Revenue	2(a)			
Governance		963,089	864,275	946,667
General purpose funding		25,349,483	27,572,137	27,144,003
Law, order, public safety		322,387	374,259	388,123
Health		392,120	535,343	454,105
Education and welfare		1,546,613	1,579,377	1,539,621
Housing		41,743	48,060	38,167
Community amenities		14,341,010	7,320,115	13,318,454
Recreation and culture		7,115,160	14,760,322	7,473,990
Transport		10,058,822	12,032,236	9,741,785
Economic services		1,351,124	4,200,257	5,098,442
Other property and services		1,320,215	787,861	1,541,014
		<u>62,801,766</u>	<u>70,074,242</u>	<u>67,684,371</u>
Expenses	2(a)			
Governance		(3,801,593)	(3,880,521)	(3,836,319)
General purpose funding		(1,517,321)	(732,502)	(821,624)
Law, order, public safety		(1,452,663)	(1,485,104)	(1,256,540)
Health		(1,308,866)	(1,258,442)	(1,344,278)
Education and welfare		(2,585,647)	(2,594,852)	(2,509,321)
Housing		(63,311)	(67,681)	(53,349)
Community amenities		(11,796,724)	(12,449,749)	(11,906,647)
Recreation and culture		(25,831,819)	(24,057,897)	(23,253,646)
Transport		(19,738,915)	(16,717,349)	(15,615,099)
Economic services		(7,662,782)	(3,125,013)	(6,097,378)
Other property and services		(1,629,090)	(3,210,929)	(3,362,924)
		<u>(77,388,731)</u>	<u>(69,580,039)</u>	<u>(70,057,125)</u>
Finance costs	2(a)			
Governance		0	(395,000)	0
General purpose funding		0	0	(858)
Law, order, public safety		(161)	0	(964)
Health		0	0	(50,905)
Education and welfare		(14)	0	(296,871)
Community amenities		0	(490)	0
Recreation and culture		(26,840)	(29,599)	0
Transport		(443,446)	0	0
Economic services		(30,505)	(2,000)	(735)
Other property and services		(27,226)	(521)	(28,874)
		<u>(528,192)</u>	<u>(427,610)</u>	<u>(379,207)</u>
		<u>(15,115,157)</u>	<u>66,593</u>	<u>(2,751,961)</u>
Non-operating grants, subsidies and contributions	30	14,145,638	10,469,918	4,991,888
Profit on disposal of assets	21	7,861	226,139	28,391
(Loss) on disposal of assets	21	(673,859)	(107,054)	(134,619)
Fair value adjustments to financial assets at (Loss) on revaluation of infrastructure - parks and reserves	7(b)	0	0	(10,922,757)
(Loss) on revaluation of furniture and equipment	6(b)	(65,980)	0	0
Reversal of prior year loss on revaluation of plant and equipment	6(b)	38,514	0	0
		<u>(27,466)</u>	<u>0</u>	<u>(10,922,757)</u>
Net result		<u>(1,662,983)</u>	<u>10,655,596</u>	<u>(8,789,058)</u>
Other comprehensive income				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Changes on revaluation of non-current assets	13	2,565,227	0	214,419,238
Total other comprehensive income		<u>2,565,227</u>	<u>0</u>	<u>214,419,238</u>
Total comprehensive income		<u><u>902,244</u></u>	<u><u>10,655,596</u></u>	<u><u>205,630,180</u></u>

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

CITY OF KALGOORLIE-BOULDER
STATEMENT OF FINANCIAL POSITION
AS AT 30TH JUNE 2016

	NOTE	2016 \$	2015 \$	2014 \$
CURRENT ASSETS				
Cash and cash equivalents	3	24,893,684	26,280,693	26,975,063
Trade and other receivables	4	9,381,716	7,949,855	7,434,943
Inventories	5	2,350,608	1,357,035	614,666
TOTAL CURRENT ASSETS		<u>36,626,008</u>	<u>35,587,583</u>	<u>35,024,672</u>
NON-CURRENT ASSETS				
Other receivables	4	659,936	671,758	696,529
Inventories	5	80,000	0	0
Property, plant and equipment	6	118,567,829	114,031,597	117,093,169
Infrastructure	7	381,512,563	381,937,029	169,621,325
Investment Property	6A	11,902,961	12,439,669	12,610,000
TOTAL NON-CURRENT ASSETS		<u>512,723,289</u>	<u>509,080,053</u>	<u>300,021,023</u>
TOTAL ASSETS		<u>549,349,297</u>	<u>544,667,636</u>	<u>335,045,695</u>
CURRENT LIABILITIES				
Trade and other payables	8	8,447,073	6,601,295	7,872,809
Short Term Borrowings	9	3,692,609	384,183	0
Current portion of long term borrowings	10	972,230	883,045	1,357,288
Provisions	11	2,610,801	3,373,756	3,008,908
TOTAL CURRENT LIABILITIES		<u>15,722,713</u>	<u>11,242,279</u>	<u>12,239,005</u>
NON-CURRENT LIABILITIES				
Long term borrowings	10	11,077,364	12,049,594	7,232,639
Provisions	11	927,127	655,914	484,382
TOTAL NON-CURRENT LIABILITIES		<u>12,004,491</u>	<u>12,705,508</u>	<u>7,717,021</u>
TOTAL LIABILITIES		<u>27,727,204</u>	<u>23,947,787</u>	<u>19,956,026</u>
NET ASSETS		<u>521,622,093</u>	<u>520,719,849</u>	<u>315,089,669</u>
EQUITY				
Retained surplus		227,624,263	227,859,658	236,631,924
Reserves - cash backed	12	24,774,675	26,202,263	26,219,055
Revaluation surplus	13	269,223,155	266,657,928	52,238,690
TOTAL EQUITY		<u>521,622,093</u>	<u>520,719,849</u>	<u>315,089,669</u>

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

**CITY OF KALGOORLIE-BOULDER
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH JUNE 2016**

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 1 July 2014		236,631,924	26,219,055	52,238,690	315,089,669
Comprehensive income		(8,789,058)	0	0	(8,789,058)
Net result		<u>0</u>	<u>0</u>	<u>214,419,238</u>	<u>214,419,238</u>
Changes on revaluation of assets	13	(8,789,058)	0	214,419,238	205,630,180
Total comprehensive income		<u>16,792</u>	<u>(16,792)</u>	<u>0</u>	<u>0</u>
Transfers from/(to) reserves					
Balance as at 30 June 2015		227,859,658	26,202,263	266,657,928	520,719,849
Comprehensive income		(1,662,983)	0	0	(1,662,983)
Net result		<u>0</u>	<u>0</u>	<u>2,565,227</u>	<u>2,565,227</u>
Changes on revaluation of assets	13	(1,662,983)	0	2,565,227	902,244
Total comprehensive income		<u>1,427,588</u>	<u>(1,427,588)</u>	<u>0</u>	<u>0</u>
Transfers from/(to) reserves					
Balance as at 30 June 2016		227,624,263	24,774,675	269,223,155	521,622,093

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

**CITY OF KALGOORLIE-BOULDER
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2016**

	NOTE	2016 Actual \$	2016 Budget \$	2015 Actual \$
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts				
Rates		22,619,532	23,658,546	21,649,562
Operating grants, subsidies and contributions		2,581,368	6,576,421	10,722,524
Income from Property		2,685,653	0	0
Fees and charges		29,750,141	30,508,285	28,396,540
Service charges		0	0	2,743,490
Interest earnings		1,244,549	1,408,878	1,349,882
Goods and services tax		968,338	0	1,560,923
Other revenue		2,288,019	14,929,428	2,168,437
		<u>62,137,600</u>	<u>77,081,558</u>	<u>68,591,358</u>
Payments				
Employee costs		(28,811,794)	(27,678,153)	(27,460,054)
Materials and contracts		(22,590,691)	(21,231,763)	(23,433,701)
Utility charges		(3,502,752)	(3,297,696)	(3,577,031)
Council contributions		(2,395,306)	0	0
Interest expenses		(495,016)	(911,683)	(376,047)
Insurance expenses		(1,187,652)	(1,350,005)	(1,203,636)
Goods and services tax		(789,889)	0	(1,509,976)
Other expenditure		(1,053,948)	(9,978,645)	(2,744,332)
		<u>(60,827,048)</u>	<u>(64,447,945)</u>	<u>(60,304,777)</u>
Net cash provided by (used in) operating activities	14(b)	1,310,552	12,633,613	8,286,581
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for development of Land held for resale		(1,107,590)	(1,435,042)	(734,136)
Payments for purchase of property, plant & equipment		(8,027,179)	(17,305,936)	(3,772,194)
Payments for construction of infrastructure		(10,693,971)	(12,264,677)	(14,741,767)
Non-operating grants, subsidies and contributions		14,145,638	10,469,918	4,991,888
Proceeds from sale of fixed assets		526,147	3,328,742	493,281
Net cash provided by (used in) investment activities		<u>(5,156,955)</u>	<u>(17,206,995)</u>	<u>(13,762,928)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of debentures		(883,045)	(1,358,888)	(1,357,288)
Repayment of Finance Leases		0	(220,000)	0
Proceeds from self supporting loans		34,013	53,049	55,082
Proceeds from new debentures		0	5,551,326	5,700,000
Net cash provided by (used in) financing activities		<u>(849,032)</u>	<u>4,025,487</u>	<u>4,397,794</u>
Net increase (decrease) in cash held		(4,695,435)	(547,895)	(1,078,553)
Cash at beginning of year		25,896,510	20,697,130	26,975,063
Cash and cash equivalents at the end of the year	14(a)	<u>21,201,075</u>	<u>20,149,235</u>	<u>25,896,510</u>

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

**CITY OF KALGOORLIE-BOULDER
RATE SETTING STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2016**

	NOTE	2016 Actual \$	2016 Budget \$	2015 Actual \$
Net current assets at July 1 b/fwd - surplus/(deficit)		1,171,159	950,000	418,357
		<u>1,171,159</u>	<u>950,000</u>	<u>418,357</u>
Revenue from operating activities (excluding rates)				
Governance		963,089	7,639,875	946,667
General purpose funding		2,667,034	3,913,591	5,185,428
Law, order, public safety		322,387	374,259	388,123
Health		392,120	486,727	454,105
Education and welfare		1,546,613	1,553,377	1,539,621
Housing		41,743	48,060	38,167
Community amenities		14,341,010	14,744,322	13,318,454
Recreation and culture		7,118,491	7,231,245	7,473,990
Transport		10,063,352	11,854,583	9,770,176
Economic services		1,351,124	1,594,216	5,098,442
Other property and services		1,320,215	2,216,773	1,541,014
		<u>40,127,178</u>	<u>51,657,028</u>	<u>45,754,187</u>
Expenditure from operating activities				
Governance		(3,821,484)	(4,306,705)	(3,870,401)
General purpose funding		(1,517,321)	(732,502)	(11,745,239)
Law, order, public safety		(1,452,824)	(1,485,104)	(1,259,515)
Health		(1,319,445)	(1,274,593)	(1,400,461)
Education and welfare		(2,585,661)	(2,594,852)	(2,806,192)
Housing		(65,698)	(79,523)	(53,349)
Community amenities		(11,796,724)	(12,464,239)	(11,930,258)
Recreation and culture		(26,411,523)	(24,093,273)	(23,284,196)
Transport		(20,257,317)	(16,717,460)	(15,615,099)
Economic services		(7,693,801)	(3,128,723)	(6,102,332)
Other property and services		(1,696,450)	(3,237,730)	(3,426,666)
		<u>(78,618,248)</u>	<u>(70,114,704)</u>	<u>(81,493,708)</u>
Operating activities excluded from budget				
Loss on revaluation of Assets		27,466	0	10,922,757
(Profit) on disposal of assets	21	(7,861)	(226,140)	(46,467)
Loss on disposal of assets	21	673,859	107,055	152,695
Movement in deferred pensioner rates (non-current)		(22,192)	0	(10,406)
Movement in employee benefit provisions (non-current)		(491,742)	0	536,379
Depreciation on assets	2(a)	16,491,709	12,292,020	12,327,132
Amount attributable to operating activities		<u>(20,648,672)</u>	<u>(5,334,741)</u>	<u>(11,439,074)</u>
INVESTING ACTIVITIES				
Non-operating grants, subsidies and contributions		14,145,638	10,469,918	4,991,888
Proceeds from disposal of assets	21	526,147	3,328,742	493,281
Purchase of land held for resale		(1,107,590)	(1,435,042)	(734,136)
Purchase of land and buildings	6(b)	(6,548,879)	(14,028,609)	(901,407)
Purchase of furniture and equipment	6(b)	(80,021)	(112,237)	(842,859)
Purchase of plant and equipment	6(b)	(941,506)	(2,790,000)	(904,106)
Purchase of Vehicles	6(b)	(456,773)	0	(1,123,822)
Purchase and construction of infrastructure	7(b)	(10,693,971)	(12,639,679)	(14,741,767)
Amount attributable to investing activities		<u>(5,156,955)</u>	<u>(17,206,907)</u>	<u>(13,762,928)</u>
FINANCING ACTIVITIES				
Repayment of debentures	22(a)	(883,045)	(1,358,888)	(1,357,288)
Proceeds from new debentures	22(a)	0	5,551,326	5,700,000
Proceeds from self supporting loans		34,013	53,049	55,082
Transfers to reserves (restricted assets)	12	(5,294,746)	(2,034,878)	(6,165,151)
Transfers from reserves (restricted assets)	12	6,722,334	3,579,809	6,181,943
Amount attributable to financing activities		<u>578,556</u>	<u>5,790,418</u>	<u>4,414,586</u>
Surplus(deficiency) before general rates		<u>(25,227,071)</u>	<u>(16,751,230)</u>	<u>(20,787,416)</u>
Total amount raised from general rates	23	<u>22,682,449</u>	<u>23,658,546</u>	<u>21,958,575</u>
Net current assets at June 30 c/fwd - surplus/(deficit)	24	<u><u>(2,544,622)</u></u>	<u><u>6,907,316</u></u>	<u><u>1,171,159</u></u>

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

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

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

Except for cash flow and rate setting information, the report 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.

Critical accounting estimates

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

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

The local government reporting entity

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

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 20 to these financial statements.

(b) 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.

(c) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks and 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 reported as short term borrowings in current liabilities in the statement of financial position.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Trade and Other Receivables

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

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

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

(e) Inventories

General

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

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

Land held for sale

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

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

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

(f) Fixed Assets

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

Mandatory requirement to revalue non-current assets

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

During the year ended 30 June 2013, the City commenced the process of adopting Fair Value in accordance with the Regulations.

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

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

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

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Land under control

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

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

Initial recognition and measurement between mandatory revaluation dates

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

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

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

Revaluation

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

Land under roads

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

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

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

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

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

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Fixed Assets (Continued)

Depreciation

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

When an item of property, plant and equipment is revalued, any accumulated depreciation at the date of the revaluation is treated in one of the following ways:

- a) Restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after revaluation equals its revalued amount; or
- b) Eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount of the asset.

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

	Years
Buildings	30 to 50 years
Temporary Buildings	10 to 20 years
Furniture and Equipment	2 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	50 years
seal	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
formation	not depreciated
pavement	50 years
Formed roads (unsealed)	
formation	not depreciated
pavement	50 years
Footpaths - slab	40 years
Sewerage piping	100 years
Water supply piping and drainage systems	75 years
Investment Property	15 to 20 years
Light Vehicles	4 to 7 years
Effluent Infrastructure	10 years
Carpark Infrastructure	40 to 50 years

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

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income in the period in which they arise.

Capitalisation threshold

Expenditure of a capital nature is recognised as an asset if the threshold value exceeds \$2,000 for Buildings, Plant & Equipment, Furniture & Equipment. The threshold for Infrastructure is \$5,000. Expenditure of a capital nature for Home & Community Care (HACC) assets are recognised as an asset if the threshold value exceeds \$1,000, in accordance with State Funded Assets Policy.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities

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

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

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

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

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

Fair value hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Fair Value of Assets and Liabilities (Continued)
Valuation techniques (Continued)

Income approach

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

Cost approach

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

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

As detailed above, the mandatory measurement framework imposed by the Local Government (Financial Management) Regulations requires, as a minimum, all assets carried at a revalued amount to be revalued in accordance with the regulatory framework.

(h) Financial Instruments

Initial recognition and measurement

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

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

Classification and subsequent measurement

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

Amortised cost is calculated as:

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

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

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Classification and subsequent measurement (continued)

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

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

(ii) Loans and receivables

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

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

(iii) Held-to-maturity investments

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

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

(iv) Available-for-sale financial assets

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

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

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

(v) Financial liabilities

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

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Financial Instruments (Continued)

Impairment

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

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

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

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

Derecognition

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

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

(i) Impairment of Assets

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

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

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

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

(j) 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 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.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) 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.

Other long-term employee benefits

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

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

(l) 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.

(m) 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.

(n) Leases

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

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

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

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

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

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Investment in Associates

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

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

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

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

(p) Interests in Joint Arrangements

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

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

Joint venture operations represent arrangements whereby joint operators maintain direct interests in each asset and exposure to each liability of the arrangement. The City's interests in the assets, liabilities, revenue and expenses of joint operations are included in the respective line items of the financial statements. Information about the joint ventures is set out in Note 17.

(q) Rates, Grants, Donations and Other Contributions

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

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

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the nature of and amounts pertaining to those undischarged conditions are disclosed in Note 2(c). That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the local government's operations for the current reporting period.

(r) Superannuation

The City contributes to a number of Superannuation Funds on behalf of employees. All funds to which the City contributes are defined contribution plans.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the 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 even if not expected to be realised in the next 12 months except for land held for sale where it is held as non-current based on the City's intentions to release for sale.

(t) Rounding Off Figures

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

(u) Comparative Figures

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

When the City applies an accounting policy retrospectively, makes a retrospective restatement or reclassifies items in its financial statement, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

(v) Budget Comparative Figures

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

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the City.

Management's assessment of the new and amended pronouncements that are relevant to the City, applicable to future reporting periods and which have not yet been adopted are set out as follows:

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(i) AASB 9 Financial Instruments (incorporating AASB 2014-7 and AASB 2014-8)	December 2014	1 January 2018	Nil – The objective of this Standard is to improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. Given the nature of the financial assets of the City, it is not anticipated the Standard will have any material effect.
(ii) AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2018	This Standard establishes principles for entities to apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer. The effect of this Standard will depend upon the nature of future transactions the City has with those third parties it has dealings with. It may or may not be significant.
(iii) AASB 16 Leases	February 2016	1 January 2019	Under AASB 16 there is no longer a distinction between finance and operating leases. Lessees will now bring to account a right-to-use asset and lease liability onto their statement of financial position for all leases. Effectively this means the vast majority of operating leases as defined by the current AASB 117 Leases which currently do not impact the statement of financial position will be required to be capitalised on the statement of financial position once AASB 16 is adopted. Currently, operating lease payments are expensed as incurred. This will cease and will be replaced by both depreciation and interest charges. Based on the current number of operating leases held by the City, the impact is not expected to be significant.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(iv) AASB 2014-3 Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & AASB 11]	August 2014	1 January 2016	This Standard amends AASB 11: <i>Joint Arrangements</i> to require the acquirer of an interest (both initial and additional) in a joint operation in which the activity constitutes a business, as defined in AASB 3: <i>Business Combinations</i> , to apply all of the principles on business combinations accounting in AASB 3 and other Australian Accounting Standards except for those principles that conflict with the guidance in AASB 11; and disclose the information required by AASB 3 and other Australian Accounting Standards for business combinations. Since adoption of this Standard would impact only acquisitions of interests in joint operations on or after 1 January 2016, management believes it is impracticable at this stage to provide a reasonable estimate of such impact on the City's financial statements.
(v) AASB 2014-4 Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]	August 2014	1 January 2016	This Standard amends AASB 116 and AASB 138 to establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. It also clarifies the use of revenue-based methods to calculate the depreciation of an asset is not appropriate nor is revenue generally an appropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. Given the City currently uses the expected pattern of consumption of the future economic benefits of an asset as the basis of calculation of depreciation, it is not expected to have a significant impact.
(vi) AASB 2014-5 Amendments to Australian Accounting Standards arising from AASB 15	December 2014	1 January 2017	Consequential changes to various Standards arising from the issuance of AASB 15. It will require changes to reflect the impact of AASB 15.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) New Accounting Standards and Interpretations for Application in Future Periods (Continued)

Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(vii) AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]	January 2015	1 January 2016	This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. This Standard also makes editorial and consequential amendments as a result of amendments to the Standards listed in the title column. It is not anticipated it will have any significant impact on disclosures as they currently exist and any changes will relate to presentation.
(viii) AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]	March 2015	1 July 2016	The objective of this Standard is to extend the scope of AASB 124 <i>Related Party Disclosures</i> to include not-for-profit sector entities. The Standard is expected to have a significant disclosure impact on the financial report of the City as both Elected Members and Senior Management will be deemed to be Key Management Personnel and resultant disclosures will be necessary.

Notes:

⁽¹⁾ Applicable to reporting periods commencing on or after the given date.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(x) Adoption of New and Revised Accounting Standards

During the current year, the City adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.

These new and revised standards were as follows:

- (i) AASB 2015-3 Amendments to Australian Accounting Standards arising from the withdrawal of AASB 1031 Materiality
- (ii) AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value Disclosures of Not-for-Profit Public Sector Entities

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

2. REVENUE AND EXPENSES	2016	2015
	\$	\$
(a) Net Result		
The Net result includes:		
(i) Charging as an expense:		
Auditors remuneration		
- Audit of the Annual Financial Report	51,973	40,070
- Assistance with finalisation of the annual financial report	8,647	7,500
- Other Services	18,658	26,225
Depreciation		
Buildings - non-specialised	1,888	0
Buildings - specialised	2,944,196	2,932,603
Construction Other than Buildings	52,601	42,743
Furniture and Equipment	412,536	413,602
Plant and Equipment	1,159,722	1,210,414
Light Vehicles	351,246	425,707
Investment Properties	570,146	552,091
Roads	5,627,752	3,677,749
Bus Shelters	8,334	3,574
Water Conservation	127,143	0
Footpaths	380,513	354,954
Drainage	654,798	98,914
Parks and Reserves	1,705,993	865,178
Laneways	35,736	1,324
Parking Areas	39,213	36,346
Street Lights	23,801	12,961
Sewerage	942,304	1,134,607
Effluent	624,100	189,242
Airport	829,687	375,123
	<u>16,491,709</u>	<u>12,327,132</u>
Interest expenses (finance costs)		
Debentures (refer Note 22 (a))	528,192	379,207
	<u>528,192</u>	<u>379,207</u>
Rental charges		
- Operating leases	332,733	385,188
	<u>332,733</u>	<u>385,188</u>
(ii) Crediting as revenue:		
Other revenue		
Reimbursements and recoveries	1,624,374	1,780,368
Other	663,645	388,069
	<u>2,288,019</u>	<u>2,168,437</u>

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

2. REVENUE AND EXPENSES (Continued)

	2016 Actual \$	2016 Budget \$	2015 Actual \$
Interest earnings			
- Loans receivable - clubs/institutions	17,696	0	0
- Reserve funds	623,478	0	751,158
- Other funds	88,000	200,000	112,560
Other interest revenue (refer note 28)	<u>515,375</u>	<u>1,208,878</u>	<u>486,164</u>
	<u><u>1,244,549</u></u>	<u><u>1,408,878</u></u>	<u><u>1,349,882</u></u>

(b) Statement of Objective

In order to discharge its responsibilities to the community, the City 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.

COMMUNITY VISION

The City will endeavour to provide the community services and facilities to meet the needs of the members of the community and enable them to enjoy a pleasant and healthy way of life.

City operations as disclosed in these financial statements encompass the following service orientated activities/programs.

GOVERNANCE

Objective:

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

Activities:

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

GENERAL PURPOSE FUNDING

Objective:

To collect revenue to allow for the provision of services.

Activities:

Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Objective:

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

Activities:

Supervision and enforcement of various local laws relating to fire prevention, animal control and other aspects of public safety including emergency services.

HEALTH

Objective:

To provide an operational framework for environmental and community health.

Activities:

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

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

2. REVENUE AND EXPENSES (Continued)

(b) Statement of Objective (Continued)

EDUCATION AND WELFARE

Objective:

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

Activities:

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

HOUSING

Objective:

To provide and maintain elderly residents housing.

Activities:

Provision and maintenance of elderly residents housing.

COMMUNITY AMENITIES

Objective:

To provide services required by the community.

Activities:

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

RECREATION AND CULTURE

Objective:

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

Activities:

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

TRANSPORT

Objective:

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

Activities:

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

ECONOMIC SERVICES

Objective:

To help promote the City and its economic wellbeing.

Activities:

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

OTHER PROPERTY AND SERVICES

Objective:

To monitor and control City's overheads operating accounts.

Activities:

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

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

2. REVENUE AND EXPENSES (Continued)

(c) Conditions Over Grants/Contributions	Function / Activity	Opening Balance ⁽¹⁾ 1/07/14 \$	Received ⁽²⁾ 2014/15 \$	Expended ⁽³⁾ 2014/15 \$	Closing Balance ⁽¹⁾ 30/06/15 \$	Received ⁽²⁾ 2015/16 \$	Expended ⁽³⁾ 2015/16 \$	Closing Balance 30/06/16 \$
Grant/Contribution								
Roads to Recovery Intermodal Hub	12	3,768,387	125,638	0	3,894,025	96,959	0	3,990,984
Indigenous Environmental Health Projects	8	22,763	763	0	23,526	269	0	23,795
Burt Street Heritage Grant	13	2,472,562	23,860	(2,496,422)	0	0	0	0
HACC Bus	8	0	0	0	0	117,190	0	117,190
Roadwise	12	5,669	190	(5,859)	0	0	0	0
Roads to Recovery - Roads	12	244,942	718,294	(851,638)	111,598	67,158	(112,671)	66,085
Cat Act Implementation Grant	5	10,000	335	0	10,335	110	(10,445)	0
AWARE: Training in Regional WA	7	23,632	185	(23,817)	0	0	0	0
AWARE: Community Emergency Risk	7	8,715	68	(8,783)	0	0	0	0
Goldfields Esp Regional Energy Project	13	253,818	3,646,348	(109,184)	3,790,982	928,454	(3,772,027)	947,409
DSR Motorsport Feasibility Study	11	0	14,091	0	14,091	135	(14,226)	0
Regional Youth Collaboration Project	10	0	25,000	0	25,000	240	(25,240)	0
Community Safety Initiatives: CCTV Oasis Clubrooms	5	0	25,000	0	25,000	240	(25,240)	0
Goldfields War Museum Anzac Exhibition	11	0	3,399	0	3,399	32	(3,431)	0
WA Police Graffiti Removal and Recording	12	0	6,250	0	6,250	60	(6,310)	0
DSR Silversports	11	0	0	0	0	47,500	0	47,500
Ray Finlayson Sporting Complex	11	0	0	0	0	6,500,000	(5,260,944)	1,239,056
Lord Forrest Olympic Pool	11	0	0	0	0	114,756	0	114,756
Regional Road Projects	11	0	0	0	0	33,802	0	33,802
Unspent Loan: War Museum	11	0	0	0	0	820,628	0	820,628
Total		6,810,488	4,589,421	(3,495,703)	7,904,206	8,727,533	(9,230,534)	7,401,205

Notes:

- (1) - Grants/contributions recognised as revenue in a previous reporting period which were not expended at the close of the previous reporting period.
- (2) - New grants/contributions which were recognised as revenues during the reporting period and which had not yet been fully expended in the manner specified by the contributor.
- (3) - Grants/contributions which had been recognised as revenues in a previous reporting period or received in the current reporting period and which were expended in the current reporting period in the manner specified by the contributor.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

	Note	2016 \$	2015 \$
3. CASH AND CASH EQUIVALENTS			
Unrestricted		119,009	78,430
Restricted		<u>24,774,675</u>	<u>26,202,263</u>
		<u>24,893,684</u>	<u>26,280,693</u>
The following restrictions have been imposed by regulations or other externally imposed requirements:			
Long Service Leave Reserve	12	802,923	783,949
Plant Replacement Reserve	12	32,677	10,600
Building Reserve	12	1,917,101	1,718,508
Computer Facilities Reserve	12	1,286,122	1,253,183
Sewerage Construction Reserve	12	272,004	265,374
Recreation Reserve	12	2,568,552	3,160,208
Parking Facilities Reserve	12	663,407	725,623
Senior Citizens Reserve	12	749,047	768,852
Airport Movement & Replacement Reserve	12	4,643,263	4,978,094
Oasis Reserve	12	187,860	176,503
Aerodrome Reserve	12	3,087,273	2,976,636
Insurance Equalisation Reserve	12	273,577	476,572
Town Hall Refurbishment Reserve	12	94,469	92,067
Waste Initiatives Reserve	12	97,451	95,085
Airport & City Promotions Reserve	12	546,768	533,512
Staff Attraction & Retention Reserve	12	4,607	4,486
HACC Asset Management Reserve	12	21,070	0
Unspent Grants, Contributions & Loans Reserve	2(c)	7,401,205	7,904,206
Revaluation Equalisation Reserve	12	<u>125,299</u>	<u>278,805</u>
		<u>24,774,675</u>	<u>26,202,263</u>
4. TRADE AND OTHER RECEIVABLES			
Current			
Rates outstanding		2,541,938	2,197,588
less: Provision for Doubtful Debts		(882,193)	(641,986)
Sundry debtors		7,649,188	6,162,422
less: Provision for Doubtful Debts		(44,406)	(70,418)
GST receivable		0	178,450
Loans receivable - clubs/institutions		43,367	43,367
Prepayments		<u>73,822</u>	<u>80,432</u>
		<u>9,381,716</u>	<u>7,949,855</u>
Non-current			
Rates outstanding - pensioners		425,994	403,802
Loans receivable - clubs/institutions		<u>233,942</u>	<u>267,956</u>
		<u>659,936</u>	<u>671,758</u>

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

	2016	2015
	\$	\$
5. INVENTORIES		
Current		
Fuel and materials	33,747	48,276
Goldfields Oasis	13,731	32,079
Golf Course	84,745	87,696
Goldfields Art Centre	5,479	3,668
Land held for resale		
Development costs	<u>2,212,906</u>	<u>1,185,316</u>
	<u><u>2,350,608</u></u>	<u><u>1,357,035</u></u>
Non-current		
Land held for resale - cost		
Cost of acquisition	<u>80,000</u>	<u>0</u>
	<u><u>80,000</u></u>	<u><u>0</u></u>
6 (a). PROPERTY, PLANT AND EQUIPMENT		
Land and Buildings		
Land - freehold at:		
- Independent valuation 2014 - level 2	14,620,169	14,620,169
- Independent valuation 2014 - level 3	<u>7,650,951</u>	<u>7,650,951</u>
	22,271,120	22,271,120
- Land vested in and under the control of Council		
- Management valuation 2014 - Level 3	<u>8,109,417</u>	<u>8,109,417</u>
	<u>8,109,417</u>	<u>8,109,417</u>
	<u><u>30,380,537</u></u>	<u><u>30,380,537</u></u>
Buildings - non-specialised at:		
- Independent valuation 2014 - level 2	75,500	75,500
Less: accumulated depreciation	<u>(3,775)</u>	<u>(1,887)</u>
	71,725	73,613
Buildings - specialised at:		
- Independent valuation 2014 - level 3	68,682,344	68,682,344
- Management valuation 2014 - level 3	1,579,500	1,579,500
- Additions after valuation - cost	7,398,280	1,246,991
Less: accumulated depreciation	<u>(5,833,869)</u>	<u>(2,931,491)</u>
	71,826,255	68,577,344
	<u><u>71,897,980</u></u>	<u><u>68,650,957</u></u>
Total land and buildings	<u><u>102,278,517</u></u>	<u><u>99,031,494</u></u>

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

6 (a). PROPERTY, PLANT AND EQUIPMENT (Continued)	2016 \$	2015 \$
Furniture and Equipment at:		
- Management valuation 2013 - level 3	0	1,911,379
- Management valuation 2016 - level 3	1,592,710	0
- Management valuation 2016 - level 2	104,072	0
Additions after valuation - cost	0	1,269,289
Less accumulated depreciation	0	(978,267)
	1,696,782	2,202,401
Plant and Equipment at:		
- Management valuation 2013 - level 3	0	1,607,079
- Independent valuation 2013 - level 2	0	2,480,700
- Management valuation 2016 - level 3	11,183,324	0
- Management valuation 2016 - level 2	556,356	0
- Additions after valuation - cost	0	8,535,118
Less accumulated depreciation	0	(2,459,867)
	11,739,680	10,163,030
Light Vehicles at:		
- Independent valuation 2013 - level 2	0	228,000
- Management valuation 2013 - level 2	0	1,853,520
- Management valuation 2016 - level 3	536,947	0
- Management valuation 2016 - level 2	2,315,903	0
- Additions after valuation - cost	0	1,048,748
Less accumulated depreciation	0	(495,596)
	2,852,850	2,634,672
	118,567,829	114,031,597

The fair value of property, plant and equipment is determined at least every three years in accordance with the regulatory framework. Additions since the date of valuation are shown as cost, given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and where appropriate the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires property, plant and equipment to be shown at fair value.

CITY OF KALGOORLIE-BOULDER
 NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
 FOR THE YEAR ENDED 30TH JUNE 2016

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(b) Movements in Carrying Amounts

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

	Balance at the Beginning of the Year \$	Additions \$	(Disposals) \$	Revaluation Increments/ (Decrements) Transferred to Revaluation \$	Revaluation Increments/ (Decrements) Transferred to Revaluation \$	Revaluation (Losses)/ Reversals Through Profit or Loss \$	Impairment (Losses)/ Reversals \$	Depreciation (Expense) \$	Transfers \$	Carrying Amount at the End of Year \$
Land - freehold	22,271,120	0	0	0	0	0	0	0	0	22,271,120
Land - vested in and under the control of Council	8,109,417	0	0	0	0	0	0	0	0	8,109,417
Total land	30,380,537	0	0	0	0	0	0	0	0	30,380,537
Buildings - non-specialised	73,613	0	0	0	0	0	0	(1,888)	0	71,725
Buildings - specialised	68,577,344	6,548,879	(350,358)	0	0	0	0	(2,944,196)	(5,414)	71,826,255
Total buildings	68,650,957	6,548,879	(350,358)	0	0	0	0	(2,946,084)	(5,414)	71,897,980
Total land and buildings	99,031,494	6,548,879	(350,358)	0	0	0	0	(2,946,084)	(5,414)	102,278,517
Furniture and Equipment	2,202,401	80,021	(140,149)	0	0	(65,980)	0	(412,536)	33,025	1,696,782
Plant and Equipment	10,163,030	941,506	(410,516)	2,199,968	0	0	0	(1,159,722)	5,414	11,739,680
Light Vehicles	2,634,672	456,773	(291,122)	365,259	0	38,514	0	(351,246)	0	2,852,850
Total property, plant and equipment	114,031,597	8,027,179	(1,192,145)	2,565,227	0	(27,466)	0	(4,869,588)	33,025	118,567,829

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements	Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
	Land - freehold	Level 2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2014	Market Values for similar properties
	Land - freehold	Level 3	Improvements to land valued using cost approach using depreciated replacement cost	Management Valuation	June 2014	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3)
	Land - vested in and under the control of Council	Level 3	Improvements to land valued using cost approach using depreciated replacement cost	Management Valuation	June 2014	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3)
	Buildings - non-specialised	Level 2	Market approach using recent observable market data for similar properties	Independent registered valuers	June 2014	Market Values for similar properties, price per square metre
	Buildings - specialised	Level 3	Cost approach using depreciated replacement cost	Independent registered valuers/management valuation	June 2014	Improvements to land using construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3)
	Furniture and Equipment	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2016	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3)
	Furniture and equipment (Level 2)	Level 2	Market approach using recent observable market data for similar items.	Management valuation	June 2016	Market price per item

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Plant and equipment	Level 3	Cost approach using depreciated cost at that date	Management valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3)
Plant and equipment	Level 2	Market approach using recent observable market data for similar items.	Management valuation	June 2016	Market price per item
Light Vehicles	Level 3	Cost approach using depreciated replacement cost	Management valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3)
Light Vehicles	Level 2	Market approach using recent observable market data for similar items.	Management valuation	June 2016	Market price per item

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used by the local government to determine the fair value of property, plant and equipment using either level 2 or level 3 inputs.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

	2016	2015
	\$	\$
6A (a). INVESTMENT PROPERTY		
Land at:		
- Independent Valuation 2014	3,405,000	3,405,000
	<u>3,405,000</u>	<u>3,405,000</u>
Buildings at:		
- Management Valuation 2014	1,250,000	1,250,000
- Independent Valuation 2014	7,955,000	7,955,000
- Additions after Valuation - cost	414,174	381,760
Less Accumulated Depreciation	<u>(1,121,213)</u>	<u>(552,091)</u>
	<u>8,497,961</u>	<u>9,034,669</u>
Total Investment Property	<u><u>11,902,961</u></u>	<u><u>12,439,669</u></u>

(b). Movements in Carrying Amounts

Movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	Land (Level 2) \$	Buildings (Level 2) \$	Buildings (Level 3) \$	Total \$
	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>
Balance at the beginning of the year	3,405,000	7,796,887	1,237,782	12,439,669
Additions	0	0	0	0
Transfer	0	29,090	4,348	33,438
Depreciation (Expense)	0	(520,468)	(49,678)	(570,146)
Carrying amount at the end of year	<u><u>3,405,000</u></u>	<u><u>7,305,509</u></u>	<u><u>1,192,452</u></u>	<u><u>11,902,961</u></u>

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

	2016	2015
	\$	\$
7 (a). INFRASTRUCTURE		
Roads		
- Management Valuation 2015 - level 3	241,327,576	241,327,576
- Additions after valuation - cost	8,014,979	0
Less accumulated depreciation	<u>(5,627,752)</u>	<u>0</u>
	243,714,803	241,327,576
Footpaths		
- Management Valuation 2015 - level 3	19,030,638	19,030,638
- Additions after valuation - cost	311,676	0
Less accumulated depreciation	<u>(380,513)</u>	<u>0</u>
	18,961,801	19,030,638
Drainage		
- Management Valuation 2015 - level 3	15,975,691	15,975,691
- Additions after valuation - cost	73,142	0
Less accumulated depreciation	<u>(654,798)</u>	<u>0</u>
	15,394,035	15,975,691
Parks and Reserves		
- Independent Valuation 2015 - level 3	14,531,700	14,531,700
- Items under construction - cost	9,966,272	8,701,074
Less accumulated depreciation	<u>(1,705,993)</u>	<u>0</u>
	22,791,979	23,232,774
Laneways		
- Management Valuation 2015 - level 3	861,449	861,449
Less accumulated depreciation	<u>(35,736)</u>	<u>0</u>
	825,713	861,449
Parking Areas		
- Management Valuation 2015 - level 3	1,278,968	1,278,968
Less accumulated depreciation	<u>(39,213)</u>	<u>0</u>
	1,239,755	1,278,968
Street Lights		
- Management Valuation 2015 - level 3	375,228	375,228
Less accumulated depreciation	<u>(23,801)</u>	<u>0</u>
	351,427	375,228
Sewerage		
- Independent Valuation 2015 - level 3	46,078,280	46,078,280
- Additions after valuation - cost	128,574	0
Less accumulated depreciation	<u>(942,304)</u>	<u>0</u>
	45,264,550	46,078,280
Effluent		
- Independent Valuation 2015 - level 3	6,715,000	6,715,000
- Additions after valuation - cost	384,640	0
Less accumulated depreciation	<u>(624,100)</u>	<u>0</u>
	6,475,540	6,715,000

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

	2016	2015
	\$	\$
7 (a). INFRASTRUCTURE (continued)		
Airport		
- Independent Valuation 2015 - level 3	22,125,000	22,125,000
- Items under construction - cost	566,816	134,568
Less accumulated depreciation	<u>(829,687)</u>	<u>0</u>
	21,862,129	22,259,568
Bus Shelters		
- Management Valuation 2015 - level 3	98,573	98,573
Less accumulated depreciation	<u>(8,334)</u>	<u>0</u>
	90,239	98,573
Water Conservation		
- Management Valuation 2015 - level 3	3,557,000	3,557,000
- Additions after valuation - cost	9,422	0
Less accumulated depreciation	<u>(127,143)</u>	<u>0</u>
	3,439,279	3,557,000
Construction other than buildings		
- Management Valuation 2015 - level 3	1,628,140	1,628,140
- Additions after valuation - cost	7,629	0
Less accumulated depreciation	<u>(534,456)</u>	<u>(481,856)</u>
	1,101,313	1,146,284
	<u><u>381,512,563</u></u>	<u><u>381,937,029</u></u>

The fair value of infrastructure is determined at least every three years in accordance with the regulatory framework. Additions since the date of valuation are shown as cost. Given they were acquired at arms length and any accumulated depreciation reflects the usage of service potential, it is considered the recorded written down value approximates fair value. At the end of each intervening period the valuation is reviewed and, where appropriate, the fair value is updated to reflect current market conditions. This process is considered to be in accordance with Local Government (Financial Management) Regulation 17A (2) which requires infrastructure to be shown at fair value.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

7. INFRASTRUCTURE (Continued)

(b) Movements in Carrying Amounts

Movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	Balance as at the Beginning of the Year	Additions	(Disposals)	Revaluation Increments/ (Decrements) Transferred to Revaluation	Revaluation (Loss)/ Reversal Transferred to Profit or Loss	Impairment (Losses)/ Reversals	Depreciation (Expense)	Transfers	Carrying Amount at the End of the Year
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Roads	241,327,576	8,014,979	0	0	0	0	(5,627,752)	0	243,714,803
Footpaths	19,030,638	311,676	0	0	0	0	(380,513)	0	18,961,801
Drainage	15,975,691	73,142	0	0	0	0	(654,798)	0	15,394,035
Parks and Reserves	23,232,774	1,265,198	0	0	0	0	(1,705,993)	0	22,791,979
Laneways	861,449	0	0	0	0	0	(35,736)	0	825,713
Parking Areas	1,278,968	0	0	0	0	0	(39,213)	0	1,239,755
Street Lights	375,228	0	0	0	0	0	(23,801)	0	351,427
Sewerage	46,078,280	128,574	0	0	0	0	(942,304)	0	45,264,550
Effluent	6,715,000	384,640	0	0	0	0	(624,100)	0	6,475,540
Airport	22,259,568	432,248	0	0	0	0	(829,687)	0	21,862,129
Bus Shelters	98,573	0	0	0	0	0	(8,334)	0	90,239
Water Conservation	3,557,000	9,422	0	0	0	0	(127,143)	0	3,439,279
Construction other than buildings	1,146,284	74,092	0	0	0	0	(52,601)	(66,462)	1,101,313
Total Infrastructure	381,937,029	10,693,971	0	0	0	0	(11,051,975)	(66,462)	381,512,563

7. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Roads	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Footpaths	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Drainage	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Parks and Reserves	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Laneways	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Parking Areas	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Street Lights	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Sewerage	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

7. INFRASTRUCTURE (Continued)

(c) Fair Value Measurements

Asset Class	Fair Value Hierarchy	Valuation Technique	Basis of valuation	Date of last Valuation	Inputs used
Effluent	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Airport	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Bus Shelters	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Water Conservation	3	Cost approach using depreciated replacement cost	Independent registered valuers	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Construction other than buildings	3	Cost approach using depreciated replacement cost	Management valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs

Level 3 inputs are based on assumptions with regards to future values and patterns of consumption utilising current information. If the basis of these assumptions were varied, they have the potential to result in a significantly higher or lower fair value measurement.

During the period there were no changes in the valuation techniques used to determine the fair value of infrastructure using level 3 inputs.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

	2016	2015
	\$	\$
8. TRADE AND OTHER PAYABLES		
Current		
Sundry creditors	5,386,951	5,831,161
Accrued interest on debentures	57,108	23,932
Accrued salaries and wages	903,928	619,277
Other Payables	1,801,042	126,925
GST Payable	298,044	0
	<u>8,447,073</u>	<u>6,601,295</u>
9. SHORT-TERM BORROWINGS		
Unsecured		
Bank Overdraft	3,692,609	384,183
Represented by:		
Unrestricted - Municipal bank overdraft	4,513,237	1,204,811
Restricted funds held	<u>(820,628)</u>	<u>(820,628)</u>
	<u>3,692,609</u>	<u>384,183</u>
The following restrictions have been imposed by regulations or other extremely imposed requirements:		
Unspent Loans	<u>820,628</u>	<u>820,628</u>
	<u>820,628</u>	<u>820,628</u>
10. LONG-TERM BORROWINGS		
Current		
Secured by floating charge		
Debentures	<u>972,230</u>	<u>883,045</u>
	<u>972,230</u>	<u>883,045</u>
Non-current		
Secured by floating charge		
Debentures	<u>11,077,364</u>	<u>12,049,594</u>
	<u>11,077,364</u>	<u>12,049,594</u>

Additional detail on borrowings is provided in Note 22.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

11. PROVISIONS

	Provision for Annual Leave \$	Provision for Long Service Leave \$	Total \$
Opening balance at 1 July 2015			
Current provisions	1,971,596	1,402,160	3,373,756
Non-current provisions	0	655,914	655,914
	<u>1,971,596</u>	<u>2,058,074</u>	<u>4,029,670</u>
Amounts used	<u>(99,561)</u>	<u>(392,181)</u>	<u>(491,742)</u>
Balance at 30 June 2016	<u><u>1,872,035</u></u>	<u><u>1,665,893</u></u>	<u><u>3,537,928</u></u>
Comprises			
Current	1,872,035	738,766	2,610,801
Non-current	0	927,127	927,127
	<u><u>1,872,035</u></u>	<u><u>1,665,893</u></u>	<u><u>3,537,928</u></u>

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

12. RESERVES - CASH BACKED

	Actual 2016 Opening Balance	Actual 2016 Transfer to	Actual 2016 Transfer (from)	Actual 2016 Closing Balance	Budget 2016 Opening Balance	Budget 2016 Transfer to	Budget 2016 Transfer (from)	Budget 2016 Closing Balance	Actual 2015 Opening Balance	Actual 2015 Transfer to	Actual 2015 Transfer (from)	Actual 2015 Closing Balance
Long Service Leave Reserve	783,949	18,974	0	802,923	779,331	24,000	0	803,331	759,745	24,204	0	783,949
Plant Replacement Reserve	10,600	1,022,077	(1,000,000)	32,677	264,050	1,070,000	(1,100,400)	233,650	257,521	1,558,079	(1,805,000)	10,600
Building Reserve	1,718,508	198,593	0	1,917,101	1,716,903	210,000	0	1,926,903	1,852,901	57,861	(192,254)	1,718,508
Computer Facilities Reserve	1,253,183	32,939	0	1,286,122	1,245,788	35,000	0	1,280,788	1,214,387	38,796	0	1,253,183
Sewerage Construction Reserve	265,374	6,630	0	272,004	263,826	8,000	0	271,826	257,302	8,072	0	265,374
Recreation Reserve	3,160,208	80,344	(672,000)	2,568,552	3,067,902	93,906	(1,688,000)	1,473,808	3,133,461	97,976	(71,229)	3,160,208
Parking Facilities Reserve	725,623	17,784	(80,000)	663,407	721,164	36,238	0	757,402	760,049	23,574	(68,000)	725,623
Senior Citizens Reserve	768,852	21,265	(41,070)	749,047	807,009	33,834	(63,500)	777,343	786,653	25,149	(42,950)	768,852
Airport Movement & Replacement Reserve	4,978,094	130,169	(465,000)	4,643,263	4,231,616	180,000	(727,909)	3,683,707	5,428,412	148,440	(598,758)	4,978,094
Oasis Reserve	176,503	11,357	0	187,860	588,592	10,000	0	598,592	724,186	20,317	(568,000)	176,503
Aerodrome Reserve	2,976,636	110,637	0	3,087,273	2,959,026	100,000	0	3,059,026	2,884,097	92,539	0	2,976,636
Insurance Equalisation Reserve	476,572	11,677	(214,672)	273,577	473,774	13,000	0	486,774	461,941	14,631	0	476,572
Town Hall Refurbishment Reserve	92,067	2,402	0	94,469	91,538	2,400	0	93,938	89,330	2,737	0	92,067
Waste Initiatives Reserve	95,085	2,366	0	97,451	94,539	3,500	0	98,039	92,264	2,821	0	95,085
Airport & City Promotions Reserve	533,512	13,256	0	546,768	558,507	15,000	0	573,507	576,915	18,005	(61,408)	533,512
Staff Attraction & Retention Reserve	4,486	121	0	4,607	4,461	0	0	4,461	4,361	125	0	4,486
HACC Asset Management Reserve	0	21,070	0	21,070	0	0	0	0	0	0	0	0
Unspent Grants, Contributions & Loans Reserve	7,904,206	3,466,591	(3,969,592)	7,401,205	4,177,906	75,000	0	4,252,906	6,810,488	3,878,062	(2,784,344)	7,904,206
Revaluation Equalisation Reserve	278,805	126,494	(280,000)	125,299	278,072	125,000	0	403,072	125,042	153,763	0	278,805
	26,202,263	5,294,746	(6,722,334)	24,774,675	22,324,004	2,034,878	(3,579,809)	20,779,073	26,219,055	6,165,151	(6,181,943)	26,202,263

All of the reserve accounts are supported by money held in financial institutions and match the amount shown as restricted cash in Note 3 to this financial report.

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside and their anticipated date of use are as follows:

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

12. RESERVES - CASH BACKED (continued)

Name of Reserve	Anticipated date of use	Purpose of the reserve
Long Service Leave Reserve	(a)	This Reserve is maintained to finance payments to staff for accrued Leave and/or unbudgeted leave. It is funded from allocations in Annual Budgets by amount calculated to be necessary from time to time.
Plant Replacement Reserve	(b)	As part of Council's forward planning, a ten (10) year Plant Replacement Program is maintained and amounts calculated as necessary to ensure the funding of replacements are transferred annually.
Building Reserve	(a)	Established to assist funding of building projects and any major structural repairs to existing assets, it is generally replenished from the sale of Council owned land and buildings.
Computer Facilities Reserve	(a)	Established to enable emergency funding of IT requirements and is replenished from time to time.
Sewerage Construction Reserve	(a)	As part of the Sewerage Rate, Council has provided for the ongoing construction and future replacement of the sewerage lines as well as any other initiatives that may present themselves.
Recreation Reserve	(a)	Annual allocations to provide for future recreational needs of residents has allowed a substantial Reserve to be created. It may be utilised for future reserves, ovals, or any recreational projects Council deems necessary.
Parking Facilities Reserve	(a)	The parking needs of the City are becoming more obvious and this Reserve is maintained to meet opportunities as they arise. It has been funded by developer payments and a one-off contribution by the City.
Senior Citizens Reserve	(a)	Established to meet any requirements the Community Centre may have from time to time.
Airport Movement & Replacement Reserve	(c)	This Reserve is funded from Airport Operations and was established for the replacement/replenishment of the Movement Area Infrastructure.
Oasis Reserve	(a)	Established in 1999/2000 by contributions from various sources to improve the Goldfields Oasis.
Aerodrome Reserve	(a)	Established in 2002/2003 to facilitate the replacement of assets and the subsidisation of operations at the Airport which are not included in the Airport Movement Area Replacement Reserve.
Insurance Equalisation Reserve	(a)	Established in 2003/2004 from the surplus of budget to actual for the City's Workers Compensation policy.
Town Hall Refurbishment Reserve	(a)	Established in 2004/2005 to allow for future maintenance, refurbishment upgrading and heritage development of the Kalgoorlie and Boulder Town Halls.
Waste Initiatives Reserve	(a)	Established in 2004/2005 to allow Council to develop and introduce alternatives or modified waste collection treatment and disposal options.
Airport & City Promotions Reserve	(a)	Established in 2005/2006 to allow council to promote the City of Kalgoorlie-Boulder and the Kalgoorlie Boulder Airport.
Staff Attraction & Retention Reserve	(a)	Established in 2006/2007 to assist the council in the implementation of the Workplace agreement adopted and introduced in December 2006
HACC Asset Management Reserve	(a)	Established in 2015/2016 to hold surplus annual grant funds received in accordance with the HACC funding agreement. These funds are then used to replace existing assets at the Eastern Goldfields Community Centre.
Unspent Grants, Contributions & Loans Reserve	(d)	Established in 2007/2008 to transfer unspent grants and contributions as at 30th June each year in order to keep more control over these restricted funds. In 2016 the fund was updated to include unspent loans.
Revaluation Equalisation Reserve	(e)	Established in 2009/2010 to assist in the 4 yearly expense of revaluations (GRV). Government subsidy of 50% has now been removed.

Notes to Anticipated Date of Use

- (a) This reserve is set up as a savings vehicle to provide future funding for future projects. There is no current close date as the funding for this reserve is perpetual.
- (b) The plant replacement reserve is set up fund Councils plant as required. The councils plant needs are calculated over a ten year period and funds are reserved annually to meet Councils future plant needs. The fund is perpetual.
- (c) This Reserve is expected to be spent by 30 June 2018 to resurface the Airport's existing runways. It is expected that Council will then recommence funding this reserve to cover Councils future obligations to maintain the Council's aircraft movement assets.
- (d) The unspent grants reserve is cleared annually as the requirements of the grants are fulfilled and the funds are transferred out of the reserve once they are deemed to have been earned.
- (e) The Revaluation reserve funds will be consumed by Council by 30 June 2020 to pay for Councils property revaluations. This reserve will then resume receiving funds to pay for the next revaluation which is conducted on a four year cycle.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

13. REVALUATION SURPLUS

	2016			2016			2015			
	Opening Balance	Revaluation Increment	Revaluation Decrement	Total Movement on Revaluation	Closing Balance	Opening Balance	Revaluation Increment	Revaluation Decrement	Total Movement on Revaluation	Closing Balance
Land	\$ 20,749,284	0	0	0	\$ 20,749,284	\$ 20,749,284	0	0	0	\$ 20,749,284
Buildings	24,682,798	0	0	0	24,682,798	24,682,798	0	0	0	24,682,798
Plant and Equipment	137,555	2,199,968	0	2,199,968	2,337,523	137,555	0	0	0	137,555
Motor Vehicles	0	365,259	0	365,259	365,259	0	0	0	0	0
Investment Property	6,669,053	0	0	0	6,669,053	6,669,053	0	0	0	6,669,053
Infrastructure - Water Conservation	2,370,919	0	0	0	2,370,919	0	2,370,919	0	2,370,919	2,370,919
Infrastructure - Airport	16,016,010	0	0	0	16,016,010	0	16,016,010	0	16,016,010	16,016,010
Infrastructure - Effluent	2,164,484	0	0	0	2,164,484	0	2,164,484	0	2,164,484	2,164,484
Infrastructure - Bus Shelters	53,022	0	0	0	53,022	0	53,022	0	53,022	53,022
Roads	147,117,260	0	0	0	147,117,260	0	147,117,260	0	147,117,260	147,117,260
Footpaths	11,105,510	0	0	0	11,105,510	0	11,105,510	0	11,105,510	11,105,510
Drainage	11,623,030	0	0	0	11,623,030	0	11,623,030	0	11,623,030	11,623,030
Laneways	852,179	0	0	0	852,179	0	852,179	0	852,179	852,179
Street Lights	202,877	0	0	0	202,877	0	202,877	0	202,877	202,877
Sewerage	22,913,947	0	0	0	22,913,947	0	22,913,947	0	22,913,947	22,913,947
	266,657,928	2,565,227	0	2,565,227	269,223,155	52,238,690	214,419,238	0	214,419,238	266,657,928

Movements on revaluation of fixed assets are not able to be reliably attributed to a program as the assets were revalued by class as provided for by AASB 116 Aus 40.1.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
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14. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of Cash

For the purposes of the Statement of Cash Flows, cash includes cash and cash equivalents, net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the Statement of Financial Position as follows:

	2016	2016	2015
	\$	Budget	\$
		\$	
Cash and cash equivalents	24,893,684	20,149,235	26,280,693
Short term borrowings	(3,692,609)	0	(384,183)
	<u>21,201,075</u>	<u>20,149,235</u>	<u>25,896,510</u>
(b) Reconciliation of Net Cash Provided By Operating Activities to Net Result			
Net result	(1,662,983)	10,655,596	(8,789,058)
Non-cash flows in Net result:			
Depreciation	16,491,709	12,292,020	12,327,132
(Profit)/Loss on sale of asset	665,998	(119,085)	106,228
Fair value adjustments to fixed assets at fair value through profit or loss	0	0	10,922,757
Loss on revaluation of fixed assets	27,466	0	0
Changes in assets and liabilities:			
(Increase)/Decrease in receivables	(1,454,053)	100,000	(545,223)
(Increase)/Decrease in inventories	34,017	30,000	(8,233)
Increase/(Decrease) in payables	1,845,778	70,000	(1,271,514)
Increase/(Decrease) in provisions	(491,742)	75,000	536,380
Grants contributions for the development of assets	<u>(14,145,638)</u>	<u>(10,469,918)</u>	<u>(4,991,888)</u>
Net cash from operating activities	<u>1,310,552</u>	<u>12,633,613</u>	<u>8,286,581</u>
(c) Undrawn Borrowing Facilities			
	2016		2015
	\$		\$
Credit Standby Arrangements			
Bank overdraft limit	5,000,000		0
Bank overdraft at balance date	(3,692,609)		0
Credit card limit	40,000		40,000
Credit card balance at balance date	(613)		(8,145)
Total amount of credit unused	<u>1,346,778</u>		<u>31,855</u>
Loan facilities			
Loan facilities - current	972,230		883,045
Loan facilities - non-current	11,077,364		12,049,594
Total facilities in use at balance date	<u>12,049,594</u>		<u>12,932,639</u>
Unused loan facilities at balance date	<u>NIL</u>		<u>NIL</u>

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

15. CONTINGENT LIABILITIES

The City of Kalgoorlie-Boulder has no contingent liabilities as at 30 June 2016.

16. CAPITAL AND LEASING COMMITMENTS	2016	2015
	\$	\$
(a) Operating Lease Commitments		
not later than one year	379,502	316,068
later than one year but not later than five years	445,741	416,899
(b) Capital Expenditure Commitments		
Contracted for:		
- capital expenditure projects	8,641,921	2,538,266
Payable:		
- not later than one year	7,448,115	2,538,266
- later than one year but not later than five years	1,193,806	0

The capital expenditure project commitments relate to road construction and renewal, Ray Finlayson Sporting Complex and the Lord Forrest Olympic Pool Redevelopment.

17. JOINT VENTURE ARRANGEMENTS

The City together with the Shires of Coolgardie, Dundas, Esperance, Laverton, Leonora, Menzies, Ngaanyatjaraku, Ravensthorpe and Wiluna, have a joint venture arrangement for the provision of a regional records service. The assets included in the joint venture recorded at Councils one-tenth share are as follows:

	2016	2015
	\$	\$
Non-current assets		
Land and buildings	75,500	75,500
Less: accumulated depreciation	<u>(3,775)</u>	<u>(1,887)</u>
	<u>71,725</u>	<u>73,613</u>
Furniture and Equipment	12,109	12,109
Less: accumulated depreciation	<u>(3,905)</u>	<u>(2,778)</u>
	<u>8,204</u>	<u>9,331</u>
Plant, Equipment and Machinery	8,247	8,247
Less: accumulated depreciation	<u>(4,065)</u>	<u>(3,493)</u>
	<u>4,182</u>	<u>4,754</u>
Light vehicles	3,549	3,549
Less: accumulated depreciation	<u>(349)</u>	<u>(1,129)</u>
	<u>3,200</u>	<u>2,420</u>
	<u>87,311</u>	<u>90,118</u>

**CITY OF KALGOORLIE-BOULDER
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FOR THE YEAR ENDED 30TH JUNE 2016**

18. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY

	2016	2015
	\$	\$
Governance	6,676,497	6,299,003
Law, order, public safety	949,026	931,794
Health	909,667	446,757
Education and welfare	3,581,750	1,028,227
Housing	682,132	2,488,396
Community amenities	46,173,129	46,227,464
Recreation and culture	117,847,950	100,510,784
Transport	296,427,327	300,733,892
Economic services	6,437,517	11,457,316
Other property and services	15,397,966	12,439,668
Unallocated	54,266,336	61,720,152
	<u>549,349,297</u>	<u>544,283,453</u>

19. FINANCIAL RATIOS

	2016	2015	2014
Current ratio	0.73	0.82	0.58
Asset sustainability ratio	0.42	0.88	1.12
Debt service cover ratio	0.86	(0.62)	3.90
Operating surplus ratio	(0.27)	(0.24)	(0.10)
Own source revenue coverage ratio	0.75	0.70	0.84

The above ratios are calculated as follows:

Current ratio	<u>current assets minus restricted assets</u> current liabilities minus liabilities associated with restricted assets
Asset sustainability ratio	<u>capital renewal and replacement expenditure</u> Depreciation expenses
Debt service cover ratio	<u>annual operating surplus before interest and depreciation</u> principal and interest
Operating surplus ratio	<u>operating revenue minus operating expenses</u> own source operating revenue
Own source revenue coverage ratio	<u>own source operating revenue</u> operating expenses

- (a) Information relating to the Asset Consumption ratio and the Asset Renewal Funding ratio can be found at Supplementary Ratio Information on Page 72 of this document.
- (b) For 2016, the Debt Service Cover, Operating Surplus and Own Source Revenue Coverage ratios were distorted by the early receipt of half of the allocation of the 2015/16 Financial Assistance Grants (FAGs) of \$1,200,761 which was received on 30 June 2015, loss on revaluation of furniture and equipment of \$65,980 and reversal of prior year loss on revaluation of plant and equipment of \$38,514.
- (c) For 2015, the Current, Debt Service Cover, Operating Surplus and Own Source Revenue Coverage ratios were distorted by an item of significant revenue relating to the early payment of 2015/16 FAGs of \$1,200,761 which was received prior to year end and the loss on revaluation of Parks and Reserves of \$10,704,069 and Parking Areas of \$218,688.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

19. FINANCIAL RATIOS (Continued)

(d) For 2014, the Debt Service Cover and Operating Surplus ratios disclosed above were distorted by the change to the payment of FAGs during the year ended 30 June 2014, which saw the advance payment of the first quarter of the following year cease. This created a timing difference which resulted in an amount of some \$1,339,669 less revenue for the year.

Items (b) to (d) mentioned above are considered 'one-off' timing/non cash in nature and, if they are ignored, the calculations disclosed in the columns above would be as follows:

	2016	2015	2014
Current ratio	0.73	0.70	0.58
Debt service cover ratio	1.73	4.98	4.93
Operating surplus ratio	(0.25)	(0.07)	(0.08)
Own source revenue coverage ratio	0.75	0.80	0.84

20. TRUST FUNDS

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

	1 July 2015	Amounts Received	Amounts Paid	30 June 2016
	\$	\$	(\$)	\$
Bonds Ground Hire	7,250	8,900	(12,500)	3,650
Deposits Footpaths	7,080	0	(4,500)	2,580
Deposits Halls and Buildings	2,750	8,928	(9,950)	1,728
Deposits Demolitions	39,240	32,000	(32,250)	38,990
Deposits Keys	1,615	6,835	(5,650)	2,800
Deposits Cat Traps	960	6,840	(5,760)	2,040
Deposits Nomination	0	1,760	(1,760)	0
Deposits General	2,128	600	(500)	2,228
Bonds Landscaping	12,000	0	0	12,000
Cash in Lieu Parking	301,127	0	(124,480)	176,647
Cash in Lieu POS	316,981	118,942	0	435,923
Deposits Long Term Hall	3,400	0	(600)	2,800
Deposits Goldfields Art Centre	56,901	(1,971)	(1,000)	53,930
Subdivision Bonds	163,980	(134,660)	0	29,320
Unclaimed Waes	1,346	0	0	1,346
Unclaimed Monies	10,236	496	0	10,732
Sundry Trust	21,081,276	4,816,390	(455,504)	25,442,162
Cash in Lieu Footpaths	71,265	0	0	71,265
Sale of Land - Non Payment Rates	39,133	0	0	39,133
Deposits Security Access	50	0	0	50
Endowment Block Bonds / Variables	45,499	1,548,762	(1,525,788)	68,473
	<u>22,164,217</u>			<u>26,397,797</u>

CITY OF KALGOORLIE-BOULDER
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21. DISPOSALS OF ASSETS - 2015/16 FINANCIAL YEAR

The following assets were disposed of during the year.

	Actual Net Book Value \$	Actual Sale Proceeds \$	Actual Profit \$	Actual Loss \$	Budget Net Book Value \$	Budget Sale Proceeds \$	Budget Profit \$	Budget Loss \$
PLANT & EQUIPMENT								
Governance								
MV534	34,020	25,151	0	(8,869)	31,547	25,000	0	(6,547)
MV545	20,029	18,636	0	(1,393)	21,907	16,000	0	(5,907)
MV547	45,084	35,455	0	(9,629)	46,027	35,000	0	(11,027)
MV550	0	0	0	0	23,703	16,000	0	(7,703)
Health								
MV549	0	0	0	0	23,709	19,000	0	(4,709)
MV553	16,423	10,000	0	(6,423)	17,971	12,000	0	(5,971)
MV555	14,789	10,633	0	(4,156)	16,471	11,000	0	(5,471)
Community Amenities								
MV554	0	0	0	0	30,000	16,000	0	(14,000)
Community and Human Services								
MV533	14,050	13,117	0	(933)	16,227	10,000	0	(6,227)
MV538	18,838	17,384	0	(1,454)	21,615	16,000	0	(5,615)
Recreation and Culture								
FE610	45,740	0	0	(45,740)	0	0	0	0
FE611	8,454	0	0	(8,454)	0	0	0	0
FE612	8,554	0	0	(8,554)	0	0	0	0
FE613	10,743	0	0	(10,743)	0	0	0	0
FE614	1,600	0	0	(1,600)	0	0	0	0
FE615	12,077	0	0	(12,077)	0	0	0	0
FE637	52,981	0	0	(52,981)	0	0	0	0
LB090	350,357	0	0	(350,357)	0	0	0	0
MV440	34,541	29,100	0	(5,441)	18,918	30,000	11,082	0
MV516	17,405	16,364	0	(1,041)	19,777	14,000	0	(5,777)
MV517	15,172	13,336	0	(1,836)	14,157	15,000	843	0
PE358	61,669	65,000	3,331	0	0	105,000	105,000	0
PE511	43,409	0	0	(43,409)	0	0	0	0
PE531	0	0	0	0	0	5,000	5,000	0
PE549	0	0	0	0	0	15,000	15,000	0
PE583	0	0	0	0	0	15,000	15,000	0
PE585	0	0	0	0	18,417	30,000	11,583	0
PE922	5,042	0	0	(5,042)	0	0	0	0
PE924	5,589	0	0	(5,589)	0	0	0	0
Transport								
MV400	31,796	27,280	0	(4,516)	17,517	30,000	12,483	0
MV408	43,470	48,000	4,530	0	29,951	45,000	15,049	0
MV441	30,000	27,280	0	(2,720)	30,111	30,000	0	(111)
MV442	30,000	27,280	0	(2,720)	21,772	30,000	8,228	0
MV445	105,000	60,000	0	(45,000)	78,413	105,000	26,587	0
PE603	20,000	0	0	(20,000)	0	0	0	0
Economic services								
MV526	0	0	0	0	16,080	15,000	0	(1,080)
MV527	11,147	10,633	0	(514)	12,630	12,000	0	(630)
Lot 778 O'Connor	0	0	0	0	1,940,142	1,940,142	0	0
Phoenix Place Lots	0	0	0	0	630,000	630,000	0	0
Other Property and Services								
MV511	0	0	0	0	2,269	1,600	0	(669)
MV512	21,577	18,182	0	(3,395)	20,397	15,000	0	(5,397)
MV544	22,143	21,498	0	(645)	24,716	25,000	284	0
MV552	0	0	0	0	19,438	15,000	0	(4,438)
MV590	40,446	31,818	0	(8,628)	45,775	30,000	0	(15,775)
	1,192,145	526,147	7,861	(673,859)	3,209,657	3,328,742	226,139	(107,054)

CITY OF KALGOORLIE-BOULDER
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22. INFORMATION ON BORROWINGS

(a) Repayments - Debentures	Principal 1 July 2015 \$	New Loans \$	Principal Repayments		Principal 30 June 2016		Interest Repayments	
			Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Particulars								
Law, Order & Public Safety								
Loan 333 CCTV	10,056	0	10,055	10,055	0	1	161	327
Recreation and Culture								
Loan 336 Library Extensions	734,864	0	34,004	34,003	700,860	700,861	44,975	45,143
Loan 339 Oasis Alternative Energy	705,869	0	79,715	79,715	626,154	626,154	26,077	26,102
Loan 341 Ray Finlayson Complex	2,907,200	0	97,241	97,241	2,809,959	2,809,959	136,110	136,374
Loan 343 War Museum Relocation	950,000	0	48,106	48,106	901,894	901,894	35,202	36,290
Loan 344 Oasis Alternative Energy	553,558	0	29,240	29,240	524,318	524,318	24,237	24,312
Loan 345 Shepherdson Oval Lighting	750,000	0	37,978	37,978	712,022	712,022	27,498	28,650
Loan 346 Golf Course Plant & Equip	630,271	0	149,692	149,692	480,579	480,579	19,876	20,168
Loan 350 Ray Finlayson Complex	2,800,000	0	69,204	263,498	2,730,796	2,536,502	112,556	145,304
Loan 353 Ray Finlayson Complex E4	0	0	0	224,424	0	0	0	123,778
Economic Services								
Loan 349 Burt Street Façade	1,200,000	0	169,760	226,886	1,030,240	973,114	22,258	33,720
Other Property and Services								
Loan 340 Endowment Block Roof	726,522	0	82,047	82,047	644,475	644,475	26,840	26,866
Loan 342 Endowment Block Roof	665,109	0	40,361	40,361	624,749	624,748	27,226	27,240
	<u>12,633,449</u>	<u>0</u>	<u>847,403</u>	<u>1,323,246</u>	<u>11,786,046</u>	<u>11,534,627</u>	<u>503,016</u>	<u>674,274</u>

**CITY OF KALGOORLIE-BOULDER
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22. INFORMATION ON BORROWINGS (continued)

(a) Repayments - Debentures (continued)

	Principal 1 July 2015 \$	New Loans \$	Principal Repayments Actual \$	Principal Budget \$	Principal 30 June 2016 Actual \$	Principal Budget \$	Interest Repayments Actual \$	Interest Budget \$
Self Supporting Loans								
Health								
308A RFDS Building Extension	6,496	0	6,496	6,496	0	0	14	121
Recreation and Culture								
Loan 326 Goldfields Tennis Club	91,484	0	7,713	7,713	83,771	83,771	5,719	5,850
Loan 338 Kalgoorlie Bowling Club	192,591	0	12,814	12,814	179,777	179,777	11,115	11,158
Economic Services								
Loan 332 Visitors Centre	8,619	0	8,619	8,619	0	0	8,328	280
	299,190	0	35,642	35,642	263,548	263,548	25,176	17,409
	12,932,639	0	883,045	1,358,888	12,049,594	11,798,175	528,192	691,683

Self supporting loan financed by payments from third parties.
All other loan repayments were financed by general purpose revenue.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

22. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2015/16

The City did not take up any new debentures during the year ended 30 June 2016.

(c) Unspent Debentures

Particulars	Date Borrowed	Balance 1 July 15	Borrowed During Year		Expended During Year		Balance 30 June 16
			\$	\$	\$	\$	
Loan 343 War Museum Relocation	May 2015	820,628	0	0	0	0	820,628
		<u>820,628</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>820,628</u>

(d) Overdraft

A Multi Option facility was obtained on 20/06/2016 totalling five million dollars. It comprises of a three million dollar Overdraft Facility and a two million dollar Equity Line. Please refer Note 14(c) for bank overdraft balance as at 30 June 2016.

CITY OF KALGOORLIE-BOULDER
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FOR THE YEAR ENDED 30TH JUNE 2016

23. RATING INFORMATION - 2015/16 FINANCIAL YEAR

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
Differential general rate / general rate											
Gross rental value valuations											
GRV Residential	0.062202	6,353	131,773,760	8,196,591	(131,179)	26,762	8,092,175	8,196,591	130,018	9,923	8,336,448
GRV Central Business	0.062202	244	26,976,690	1,678,004	(1,135)	(5,278)	1,671,591	1,678,004	13,330	1,575	1,692,909
GRV General Industry	0.062202	325	27,299,806	1,698,103	32,010	0	1,730,113	1,698,103	13,330	1,575	1,713,008
GRV Other Properties	0.062202	613	42,825,883	2,663,856	18,323	995	2,683,174	2,663,856	23,328	1,575	2,688,759
GRV Mining	0.062202	6	4,442,500	276,332	0	0	276,332	276,332	0	0	276,332
Unimproved value valuations											
UV Mining Operations	0.176029	512	16,678,845	2,935,960	8,229	476	2,944,665	2,935,960	19,995	1,575	2,957,530
UV Exploration / Prospecting	0.173780	903	3,423,421	594,922	96,474	410	691,806	594,922	0	0	594,922
UV Pastoral	0.064900	42	2,475,374	160,652	6,205	0	166,857	160,652	0	0	160,652
Sub-Total		8,998	255,896,279	18,204,420	28,927	23,365	18,256,713	18,204,420	200,001	16,223	18,420,560

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

23. RATING INFORMATION - 2015/16 FINANCIAL YEAR

RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Budget Rate Revenue \$	Budget Interim Rate \$	Budget Back Rate \$	Budget Total Revenue \$
Minimum payment											
Gross rental value valuations											
GRV Residential	860	5,562	60,420,217	4,783,320	0	0	4,783,320	4,783,320	0	0	4,783,320
GRV Central Business	860	18	186,499	15,480	0	0	15,480	15,480	0	0	15,480
GRV General Industry	860	25	222,351	21,500	0	0	21,500	21,500	0	0	21,500
GRV Other Properties	860	157	1,240,873	135,020	0	0	135,020	135,020	0	0	135,020
GRV Mining	860	6	7,020	5,160	0	0	5,160	5,160	0	0	5,160
Unimproved value valuations											
UV Mining Operations	372	345	239,692	128,340	0	0	128,340	128,340	0	0	128,340
UV Exploration / Prospecting	267	575	574,713	153,525	0	0	153,525	153,525	0	0	153,525
UV Pastoral	267	23	10,908	6,141	0	0	6,141	6,141	0	0	6,141
Sub-Total		6,711	62,902,273	5,248,486	0	0	5,248,486	5,248,486	0	0	5,248,486
Discounts/concessions (refer note 27)											
Total amount raised from general rate		15,709	318,798,552	23,452,906	28,927	23,365	23,505,198	23,452,906	200,001	16,223	23,669,046
Ex-gratia rates											
Totals							<u>(822,749)</u>				<u>(10,500)</u>
							<u>22,682,449</u>				<u>23,658,546</u>
							<u>63,419</u>				<u>23,658,546</u>
							<u>22,745,868</u>				<u>23,658,546</u>

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

24. NET CURRENT ASSETS

Composition of net current assets

	2016 (30 June 2016 Carried Forward) \$	2016 (1 July 2015 Brought Forward) \$	2015 (30 June 2015 Carried Forward) \$
Surplus/(Deficit)	<u>(2,544,622)</u>	<u>1,171,159</u>	<u>1,171,159</u>
CURRENT ASSETS			
Cash and cash equivalents			
Unrestricted	(4,394,228)	(1,126,381)	(1,126,381)
Restricted	25,595,303	27,022,891	27,022,891
Receivables			
Rates outstanding	1,659,745	1,555,602	1,555,602
Sundry debtors	7,604,782	6,092,004	6,092,004
GST receivable	0	178,450	178,450
Loans receivable - clubs/institutions	43,367	43,367	43,367
Prepayments	73,822	80,432	80,432
Inventories			
Fuel and materials	33,747	48,276	48,276
Goldfields Oasis	13,731	32,079	32,079
Golf course	84,745	87,696	87,696
Goldfields Art Centre	5,479	3,668	3,668
Land held for resale - cost			0
Development costs	2,212,906	1,185,316	1,185,316
LESS: CURRENT LIABILITIES			
Trade and other payables			
Sundry creditors	(5,386,951)	(5,831,161)	(5,831,161)
Accrued interest on debentures	(57,108)	(23,932)	(23,932)
Accrued salaries and wages	(903,928)	(619,277)	(619,277)
Other Payables	(1,801,042)	(126,925)	(126,925)
GST Payable	(298,044)	0	0
Current portion of long term borrowings			
Secured by floating charge	(972,230)	(883,045)	(883,045)
Provisions			
Provision for annual leave	(1,872,035)	(1,971,596)	(1,971,596)
Provision for long service leave	(738,766)	(1,402,160)	(1,402,160)
Unadjusted net current assets	<u>20,903,295</u>	<u>24,345,304</u>	<u>24,345,304</u>
Adjustments			
Less: Reserves - restricted cash	(24,774,675)	(26,202,263)	(26,202,263)
Less: Land held for resale - cost			
Development costs	(2,212,906)	(1,185,316)	(1,185,316)
Less: Loans receivable - clubs/institutions	(43,367)	(43,367)	(43,367)
Provision for annual leave	1,872,035	1,971,596	1,971,596
Provision for long service leave	738,766	1,402,160	1,402,160
Add: Secured by floating charge	972,230	883,045	883,045
Adjusted net current assets - surplus/(deficit)	<u>(2,544,622)</u>	<u>1,171,159</u>	<u>1,171,159</u>

Difference

There was no difference between the surplus/(deficit) 1 July 2015 brought forward position used in the 2016 audited financial report and the surplus/(deficit) carried forward position as disclosed in the 2015 audited financial report.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

25. HEALTH ACT 1911 - SEWERAGE RATE - 2015/16 FINANCIAL YEAR

Sewerage Rates	Basis of Valuation	Rate in \$	Rate in \$	Rateable Value	Rate Revenue	Interim Rate Revenue	Back Rate Revenue	Total Specified Area Revenue	Budget Rate Revenue	Budget Back Rate Revenue	Budget Interim Rate Revenue
Sewerage Rate	Rate in \$	2.4483		190,400,542	4,663,001	21,906	(2,539)	4,682,368	4,661,577	0	0
Minimum	Min	356		67,619,325	2,138,136	0	0	2,138,136	2,138,136	0	0
					6,801,137	21,906	(2,539)	6,820,504	6,799,713	0	0

The sewerage rate for the City of Kalgoorlie-Boulder Effluent Scheme is for those properties in the Kalgoorlie-Boulder locality which are connected to, or capable of being connected to the sewerage scheme.

The proceeds of the rates are applied in full to the maintenance of the scheme and/or treatment and disposal of the treated effluent by-product as well as the transfer from the Reserve fund to fund the budget works as required.

26. SERVICE CHARGES - 2015/16 FINANCIAL YEAR

The City did not impose any service charges on ratepayers for the 2015/16 financial year, and has not included any proposition to do so in 2016/17.

27. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS - 2015/16 FINANCIAL YEAR

Rates Discounts

Rate or Fee Discount Granted	Discount % or \$	Actual \$	Budget \$	Circumstances in which Discount is Granted
Rate Assessment	N/A	10,750	10,000	N/A
	N/A	6,941	10,500	N/A
		17,691	20,500	

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

28. INTEREST CHARGES AND INSTALMENTS - 2015/16 FINANCIAL YEAR

Waivers or Concessions

Rate or Fee and Charge to which the Waiver or Concession is Granted	Type	Discount % or \$	Actual \$	Budget \$	Reason for the Waiver or Concession
Rate Assessment	Concession	5.71%	815,808	810,000	Council after ratifying the 2015/16 Budget, reassessed the GRV rate in \$ (after numerous complaints by ratepayers) and applied a concession of 5.71% to general land rates, thus reducing the rate in dollar from 6.2202 to 5.8640 (not including properties that were minimum rated).
			815,808	810,000	

Instalment Options	Date Due	Instalment Plan Admin Charge \$	Instalment Plan Interest Rate %	Unpaid Interest Rate %	Actual \$	Budget \$
Option One						
Single full payment	7/10/2015	N/A	N/A	10.00%		
Option Two						
First Instalment	7/10/2015	\$7.00	5.00%	10.00%		
Second Instalment	9/12/2015	\$7.00	5.00%	10.00%		
Option Three						
First Instalment	7/10/2015	\$7.00	5.00%	10.00%		
Second Instalment	9/12/2015	\$7.00	5.00%	10.00%		
Third Instalment	10/02/2016	\$7.00	5.00%	10.00%		
Fourth Instalment	13/04/2016	\$7.00	5.00%	10.00%		
Interest on unpaid rates	10.00%				387,820	1,093,985
Interest on instalment plan	5.00%				127,555	0
Charges on instalment plan	N/A				96,467	114,893
Pensioner Deferred rate interest	2.85%				8,588	0
					620,430	1,208,878

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

29. FEES & CHARGES	2016	2015
	\$	\$
Governance	16	12,930
General purpose funding	155,138	152,588
Law, order, public safety	253,728	278,111
Health	164,467	170,128
Education and welfare	176,237	172,251
Community amenities	14,260,118	13,162,513
Recreation and culture	5,596,123	5,908,446
Transport	8,953,214	8,245,009
Economic services	184,052	187,391
Other property and services	7,048	107,173
	<u>29,750,141</u>	<u>28,396,540</u>

There were no changes during the year to the amount of the fees or charges detailed in the original budget.

30. GRANT REVENUE

Grants, subsidies and contributions are included as operating revenues in the Statement of Comprehensive Income:

By Nature or Type:	2016	2015
	\$	\$
Operating grants, subsidies and contributions		
Governance	148,918	327,050
General purpose funding	1,149,257	3,618,623
Law, order, public safety	45,880	71,720
Health	227,653	283,096
Education and welfare	1,370,376	1,366,551
Community amenities	16,507	107,374
Recreation and culture	880,423	1,108,609
Transport	66,828	632,932
Economic services	181,694	3,493,726
	<u>4,087,536</u>	<u>11,009,681</u>
Non-operating grants, subsidies and contributions		
Education and welfare	137,846	0
Recreation and culture	6,364,756	1,466,844
Transport	6,177,246	3,525,044
Economic services	1,465,790	0
	<u>14,145,638</u>	<u>4,991,888</u>

31. EMPLOYEE NUMBERS

The number of full-time equivalent employees at balance date

<u>266</u>	<u>299</u>
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CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

32. ELECTED MEMBERS REMUNERATION	2016	2016	2015
	\$	Budget	\$
	\$	\$	\$
The following fees, expenses and allowances were paid to council members and/or the president.			
Meeting Fees	312,000	312,000	312,000
Mayoral allowance	67,500	67,500	67,500
Deputy Mayoral allowance	16,875	16,875	16,875
Travelling expenses	6,559	8,500	69,290
Telecommunications allowance	13,000	13,000	13,000
	<u>415,934</u>	<u>417,875</u>	<u>478,665</u>

33. MAJOR LAND TRANSACTIONS

O'Connor Subdivision

(a) Details

In 1990 the City obtained ownership and management of the airport which was relocated. As a result of this relocation of the airport, freehold land became available, which was developed and subdivided for residential lots. Additional costs were incurred by City in developing the lots. Costs were for services such as sewerage, power and transport infrastructure.

(b) Current year transactions	2016	2016	2015
	\$	Budget	\$
	\$	\$	\$
Operating income			
- Profit on sale	0	0	0
Capital income			
- Sale proceeds	0	0	0
Capital expenditure			
- Purchase of land	0	0	0
- Development costs	834,729	1,046,426	491,911
	<u>834,729</u>	<u>1,046,426</u>	<u>491,911</u>

The above capital expenditure is included in land held for resale.
As disclosed elsewhere in the financial report, there are no liabilities in relation to this land transaction as at 30 June 2016.

(c) Expected Future Cash Flows

	2017	2018	2019	2020	Total
	\$	\$	\$	\$	\$
Cash outflows					
- Development costs	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash inflows					
- Sale proceeds	2,570,142	0	0	0	2,570,142
	<u>2,570,142</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,570,142</u>
Net cash flows	<u>2,570,142</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,570,142</u>

The net cash flow to 30 June 2016 in relation to this subdivision is an outflow/(cost) of \$1,500,635.
The net cash flow of the entire land transaction is expected to result in an inflow/(income) of \$1,069,507.

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

33. MAJOR LAND TRANSACTIONS (continued)

Lot 501 Phoenix Place Subvision

(a) Details

Lot 501, portion of reserve 37979, is in the process of being purchase from the Government of Western Australia Department of Regional Deveopment and Lands, in accordance with Section 20A of the Town Planning and Development Act. The City is proposing to develop Lot 501 Phoenix Place into 11 single residential lots and 1 multi (3) site. The aim is to make the developed lots attractive to first home buyers with appropriate conditions od sale.

(b) Current year transactions	2016	2016	2015
	\$	Budget	\$
		\$	
Operating income			
- Profit on sale	0	0	0
Capital income			
- Sale proceeds	0	0	0
Capital expenditure			
- Purchase of land	0	0	0
- Development costs	192,862	300,616	242,224
	<u>192,862</u>	<u>300,616</u>	<u>242,224</u>

The above capital expenditure is included in land held for resale.

As disclosed elsewhere in the financial report, there are no liabilities in relation to this land transaction as at 30 June 2016.

(c) Expected Future Cash Flows

	2017	2018	2019	2020	Total
	\$	\$	\$	\$	\$
Cash outflows					
- Development costs	(300,616)				(300,616)
	<u>(300,616)</u>	0	0	0	<u>(300,616)</u>
Cash inflows					
- Sale proceeds	630,000				630,000
	<u>630,000</u>	0	0	0	<u>630,000</u>
Net cash flows	<u>329,384</u>	0	0	0	<u>329,384</u>

The net cash flow to 30 June 2016 in relation to this subdivision is an outflow/(cost) of \$500,969. The net cash flows of the entire land transaction is expected to result in an outflow/(cost) of \$171,585.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

34. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS

**KALGOORLIE AIRPORT
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016**

	2016	2016 Budget	2015
	\$	\$	\$
Operating Income	9,947,792	9,719,785	9,009,028
Operating Expenditure	(5,206,590)	(5,018,694)	(3,868,323)
Loss on Asset Disposal	0	0	(13,988)
Operating Result	4,741,202	4,701,091	5,140,705
Capital Income	465,000	727,909	598,758
Capital Expenditure	(706,683)	(1,229,000)	(1,965,281)
Non Operating Result	(241,683)	(501,091)	(1,366,523)
Total Net Trading Undertaking	4,499,519	4,200,000	3,774,182
	2016		2015
	\$		\$
CURRENT ASSETS			
Cash at Bank	12,230,055		7,954,730
Receivables	1,298,940		2,407,596
	13,528,995		10,362,326
NON-CURRENT ASSETS			
Land	50,120		50,120
Buildings	7,689,974		7,689,974
Less Accumulated Depreciation	(582,787)		(291,262)
Furniture & Equipment	247,113		221,242
Less Accumulated Depreciation	0		(38,080)
Plant & Machinery	1,601,428		342,093
Less Accumulated Depreciation	0		(132,807)
Construction Other than Buildings	0		33,025
Less Accumulated Depreciation	0		0
Light Vehicles	68,700		65,209
Less Accumulated Depreciation	0		(2,438)
Airport Area Infrastructure	22,691,816		22,259,568
Less Accumulated Depreciation	(829,687)		0
Carpark Infrastructure	0		0
Less Accumulated Depreciation	0		0
Drainage	0		0
Less Accumulated Depreciation	0		0
	30,936,677		30,196,642
NET ASSETS	44,465,672		40,558,968
EQUITY			
Reserves - Cash Backed	7,730,536		7,954,730
Retained Surplus	36,735,136		32,604,238
	44,465,672		40,558,968

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

34. TRADING UNDERTAKINGS AND MAJOR TRADING UNDERTAKINGS (Continued)

**ENDOWMENT BLOCK
OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2016**

	2016	2016 Budget	2015
	\$	\$	\$
Operating Income	812,085	900,000	999,342
Operating Expenditure	(454,402)	(1,004,758)	(420,352)
Operating Result	<u>357,683</u>	<u>(104,758)</u>	<u>578,990</u>
CURRENT ASSETS			
Cash at Bank	<u>6,473,462</u>		<u>6,115,779</u>
	<u>6,473,462</u>		<u>6,115,779</u>
NON-CURRENT ASSETS			
Land	3,405,000		3,405,000
Buildings	9,619,174		9,585,735
Less Accumulated Depreciation	(1,121,213)		(551,067)
	<u>11,902,961</u>		<u>12,439,668</u>
NET ASSETS	<u>18,376,423</u>		<u>18,555,447</u>
EQUITY			
Retained Surplus	<u>18,376,423</u>		<u>18,555,447</u>
	<u>18,376,423</u>		<u>18,555,447</u>

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

35. FINANCIAL RISK MANAGEMENT

The City's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The City's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the City.

The City does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance area under policies approved by the Council.

The City held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2016	2015	2016	2015
	\$	\$	\$	\$
Financial assets				
Cash and cash equivalents	24,893,684	26,280,693	24,893,684	26,280,693
Investments	11,902,961	12,439,669	11,902,961	12,439,669
Receivables	10,041,652	8,621,613	10,041,652	8,621,613
	<u>46,838,297</u>	<u>47,341,975</u>	<u>46,838,297</u>	<u>47,341,975</u>
Financial liabilities				
Payables	8,447,073	6,601,295	8,447,073	6,601,295
Short Term Borrowings	3,692,609	384,183	3,692,609	384,183
Long Term Borrowings	12,049,594	12,932,639	13,022,494	13,981,033
	<u>24,189,276</u>	<u>19,918,117</u>	<u>25,162,176</u>	<u>20,966,511</u>

Fair value is determined as follows:

- Cash and cash equivalents, receivables, payables - estimated to the carrying value which approximates net market value.
- Borrowings, held to maturity investments, estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

35. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

The City's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance area manages the cash and investments portfolio with the assistance of independent advisers (where applicable). The City has an investment policy and the policy is subject to review by Council. An Investment Report is provided to Council on a monthly basis setting out the make-up and performance of the portfolio.

Cash and investments are subject to interest rate risk - the risk that movements in interest rates could affect returns.

Another risk associated with cash is credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to the City.

The City manages these risks by diversifying its portfolio and only investing in investments authorised by *Local Government (Financial Management) Regulation 19C*. Council also seeks advice from independent advisers (where considered necessary) before placing any cash and investments.

	2016	2015
	\$	\$
Impact of a 1% ⁽¹⁾ movement in interest rates on cash		
- Equity	248,937	279,015
- Statement of Comprehensive Income	248,937	279,015

Notes:

⁽¹⁾ Sensitivity percentages based on management's expectation of future possible market movements.

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

35. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

The City's major receivables comprise rates and annual charges and user charges and fees. The major risk associated with these receivables is credit risk – the risk that the debts may not be repaid. The City manages this risk by monitoring outstanding debt and employing debt recovery policies. It also encourages ratepayers to pay rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of the City to recover these debts as a secured charge over the land – that is, the land can be sold to recover the debt. The City is also able to charge interest on overdue rates and annual charges at higher than market rates, which further encourages payment.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

The City makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subject to a re-negotiation of repayment terms.

The profile of the City's credit risk at balance date was:

	2016	2015
Percentage of rates and annual charges		
- Current	0%	0%
- Overdue	100%	100%
Percentage of other receivables		
- Current	79%	76%
- Overdue	21%	24%

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

35. FINANCIAL RISK MANAGEMENT (Continued)

**(c) Payables
 Borrowings**

Payables and borrowings are both subject to liquidity risk – that is the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due. The City manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer. Payment terms can be extended and overdraft facilities drawn upon if required.

The contractual undiscounted cash flows of the City's Payables and Borrowings are set out in the Liquidity Sensitivity Table below:

	<u>2016</u>	<u>2015</u>			
	Due within 1 year \$	Due between 1 & 5 years \$	Due after 5 years \$	Total contractual cash flows \$	Carrying values \$
Payables	8,447,073	0	0	8,447,073	8,447,073
Short Term Borrowings	3,692,609	0	0	3,692,609	3,692,609
Long Term Borrowings	1,467,664	5,337,925	9,355,922	16,161,511	12,049,594
	<u>13,607,346</u>	<u>5,337,925</u>	<u>9,355,922</u>	<u>28,301,193</u>	<u>24,189,276</u>
Payables	6,601,295	0	0	6,601,295	6,601,295
Short Term Borrowings	384,183	0	0	384,183	384,183
Long Term Borrowings	1,377,931	5,700,961	10,460,589	17,539,481	12,932,639
	<u>8,363,409</u>	<u>5,700,961</u>	<u>10,460,589</u>	<u>24,524,959</u>	<u>19,918,117</u>

**CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016**

35. FINANCIAL RISK MANAGEMENT (Continued)

**(c) Payables
Borrowings (continued)**

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs. The City manages this risk by borrowing long term and fixing the interest rate to the situation considered the most advantageous at the time of negotiation.

The following tables set out the carrying amount, by maturity, of the financial instruments exposed to interest rate risk:

	<1 year	>1<2 years	>2<3 years	>3<4 years	>4<5 years	>5 years	Total	Weighted Average Effective Interest Rate
	\$	\$	\$	\$	\$	\$	\$	%
Year ended 30 June 2016								
Borrowings								
Fixed rate								
Short Term Borrowings	3,692,609	0	0	0	0	0	3,692,609	6.25%
Debentures	0	0	480,580	0	1,030,240	10,538,774	12,049,594	4.21%
Weighted average Effective interest rate	6.25%		3.40%		2.73%	4.44%		
Year ended 30 June 2015								
Borrowings								
Fixed rate								
Short Term Borrowings	384,183	0	0	0	0	0	384,183	N/A
Debentures	25,170	0	0	630,271	0	12,277,198	12,932,639	4.19%
Weighted average Effective interest rate	5.52%			3.40%		3.98%		

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

36. PRIOR PERIOD CORRECTIONS

The following adjustments have been made to comparative amounts in the 30 June 2016 Financial Report to bring to account financial activities that were incorrectly stated in 2014/15. Details of these activities are listed below:-

- 1) In the 2013/14 financial year, the City revalued building assets that it did not own. Subsequently, the depreciation expense for the 2014/15 financial year was overstated. This error has now been identified and the necessary adjustments have been affected.

To correct this error, the fair value of these assets (\$5,732,544) was reduced in the 2013/14 financial year and the depreciation associated with them (\$315,110) was removed from the accounts in the 2014/15 financial year. The amended figures for the 2013/14 financial year have also been included in the Statement of Financial Position.

- 2) In the 2014/15 financial year the City revalued Parks and Reserves assets on crown land. This error has now been identified and the necessary adjustments have been affected.

To correct this error, the fair value of these assets (\$1,794,000) was reduced in the 2014/15 financial year.

	Refer Notes Above	Financial Report 2015 \$	Corrected Comparative 2015 \$	Adjustment \$
STATEMENT OF COMPREHENSIVE INCOME				
<i>BY NATURE OR TYPE:-</i>				
Expenses - Depreciation	1	(12,642,242)	(12,327,132)	315,110
Loss on revaluation of fixed assets	2	(9,128,757)	(10,922,757)	(1,794,000)
Net result	1,2	(7,310,168)	(8,789,058)	(1,478,890)
<i>BY PROGRAM:-</i>				
Expenses - Community amenities	1	(11,927,710)	(11,906,647)	21,063
Expenses - Recreation and culture	1	(23,547,693)	(23,253,646)	294,047
Loss on revaluation of fixed assets	2	(9,128,757)	(10,922,757)	(1,794,000)
Net result	1,2	(7,310,168)	(8,789,058)	(1,478,890)
STATEMENT OF FINANCIAL POSITION				
Property, plant and equipment	1	119,449,031	114,031,597	(5,417,434)
Infrastructure	2	383,731,029	381,937,029	(1,794,000)
Retained surplus	1,2	229,338,548	227,859,658	(1,478,890)
Revaluation surplus	1	272,390,472	266,657,928	(5,732,544)
STATEMENT OF CHANGES IN EQUITY				
<i>Retained surplus</i>				
Balance as at 1 July 2014	1,2	236,631,924	236,631,924	0
Net result	1,2	(7,310,168)	(8,789,058)	(1,478,890)
Balance as at 30 June 2015	1,2	229,338,548	227,859,658	(1,478,890)
<i>Revaluation Surplus:- Changes on revaluation of non-current assets</i>				
Balance as at 1 July 2014	1	57,971,234	52,238,690	(5,732,544)
Changes on Revaluation of Non-Current Assets	1	214,419,238	214,419,238	0
Balance as at 30 June 2015	1	272,390,472	266,657,928	(5,732,544)

CITY OF KALGOORLIE-BOULDER
NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE YEAR ENDED 30TH JUNE 2016

36. PRIOR PERIOD CORRECTIONS (Continued)

	Refer Notes Above	Financial Report 2015 \$	Corrected Comparative 2015 \$	Adjustment \$
RATE SETTING STATEMENT				
Expenses - Community amenities	1	(12,002,226)	(11,981,163)	21,063
Expenses - Recreation and culture	1	(23,875,114)	(23,581,067)	294,047
Expenses - Other property and services	2	(12,555,423)	(14,349,423)	(1,794,000)
Net result excluding rates	1,2	(29,268,743)	(30,747,633)	(1,478,890)
Loss on revaluation of fixed assets	2	9,128,757	10,922,757	1,794,000
Depreciation	1	12,642,242	12,327,132	(315,110)
NOTE 2 - REVENUE AND EXPENSES				
Depreciation - Buildings	1	3,247,713	2,932,603	(315,110)
NOTE 6 - PROPERTY, PLANT AND EQUIPMENT				
<i>Specialised buildings:</i>				
- Management valuation 2014 - level 3	1	74,490,387	68,757,843	(5,732,544)
- Less: Accumulated depreciation	1	(3,247,713)	(2,932,603)	315,110
<i>Movements in carrying amounts</i>				
Balance at the beginning of the year - Specialised buildings	1	75,994,387	70,261,843	(5,732,544)
Depreciation expense - Specialised buildings	1	(3,245,826)	(2,930,716)	315,110
NOTE 7 - INFRASTRUCTURE				
<i>Parks and Reserves:</i>				
- Independent valuation 2015 - level 3	2	16,325,700	14,531,700	(1,794,000)
<i>Movements in Carrying Amounts:</i>				
Revaluation Increments/(Decrements) - Parks and Reserves	2	(8,910,069)	(10,704,069)	(1,794,000)
NOTE 13 - REVALUATION SURPLUS				
Opening balance - buildings	1	30,415,342	24,682,798	(5,732,544)
NOTE 14 - NOTES TO THE STATEMENT OF CASH FLOWS				
Net result	1,2	(7,310,168)	(8,789,058)	(1,478,890)
Depreciation	1	12,642,242	12,327,132	(315,110)
Loss on revaluation of fixed assets	2	9,128,757	10,922,757	1,794,000
NOTE 18 - TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY				
Community amenities	1,2	46,690,604	46,227,464	(463,140)
Recreation and culture	1,2	107,259,077	100,510,783	(6,748,294)

NOTE 19 - FINANCIAL RATIOS

Restatement of the numbers above affected the actual 2015 comparative ratios as follows:

Asset Sustainability Ratio increased from 0.85 to 0.88
Debt Service Cover Ratio decreased from 0.41 to (0.62)
Operating Surplus Ratio decreased from (0.22) to (0.24)
Own Source Revenue Coverage Ratio decreased from 0.71 to 0.70

Restatement of the numbers above affected the adjusted 2015 comparative ratios as follows:

Operating Surplus Ratio increased from (0.08) to (0.07)

Level 15, Exchange Tower,
2 The Esplanade, Perth, WA 6000

PO Box 5785, St Georges Terrace, WA 6831

T +61 (0)8 9225 5355

F +61 (0)8 9225 6181

www.moorestephenswa.com.au

INDEPENDENT AUDITOR'S REPORT TO THE ELECTORS OF THE CITY OF KALGOORLIE-BOULDER

REPORT ON THE FINANCIAL REPORT

We have audited the accompanying financial report of the City of Kalgoorlie-Boulder, which comprises the statement of financial position as at 30 June 2016, statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity, statement of cash flows and the rate setting statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the statement by Chief Executive Officer.

Management's Responsibility for the Financial Report

Management is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended) and for such internal control as Management determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial report.

We believe the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial report of the City of Kalgoorlie-Boulder is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended), including:

- a) giving a true and fair view of the City's financial position as at 30 June 2016 and of its financial performance and its cash flows for the year ended on that date; and
- b) complying with Australian Accounting Standards (including Australian Accounting Interpretations).

INDEPENDENT AUDITOR'S REPORT TO THE ELECTORS OF THE CITY OF KALGOORLIE-BOULDER (CONTINUED)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

During the course of the audit we became aware of the following instances where the City did not comply with the Local Government (Financial Management) Regulations 1996 (as amended):

Budget Review

Whilst Council had considered the budget review, it did not determine (via absolute majority) whether or not to adopt the proposed budget amendments as required by Local Government (Financial Management) Regulation 33A(3).

Statement of Financial Activity

The Statement of Financial Activity for November 2015 was not presented to Council within two months after the month end as required by Local Government (Financial Management) Regulation 34 4(a).

Rates

A brief statement of objects/reasons for imposing differential rates was not included in the rate notice or accompanying information as required by Local Government (Financial Management) Regulation 56(4)(a)(i).

In accordance with the Local Government (Audit) Regulations 1996, we also report that:

- a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the City.
- b) Except as detailed above, no other matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1996 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.
- c) In relation to the Supplementary Ratio Information presented at page 72 of this report, we have reviewed the calculations as presented and nothing has come to our attention to suggest it is not:
 - i) reasonably calculated; and
 - ii) based on verifiable information.
- d) All necessary information and explanations were obtained by us.
- e) All audit procedures were satisfactorily completed in conducting our audit

MOORE STEPHENS
CHARTERED ACCOUNTANTS



WEN-SHIEN CHAI
PARTNER

Date: 7 December 2016
Perth, WA

**CITY OF KALGOORLIE-BOULDER
SUPPLEMENTARY RATIO INFORMATION
FOR THE YEAR ENDED 30TH JUNE 2016**

RATIO INFORMATION

The following information relates to those ratios which only require attestation they have been checked and are supported by verifiable information. It does not form part of the audited financial report

	2016	2015	2014
Asset consumption ratio	0.69	0.70	0.59
Asset renewal funding ratio	0.47	0.48	0.45

The above ratios are calculated as follows:

Asset consumption ratio	<u>depreciated replacement costs of assets</u> current replacement cost of depreciable assets
Asset renewal funding ratio	<u>NPV of planning capital renewal over 10 years</u> NPV of required capital expenditure over 10 years