



SHIRE OF DANDARAGAN 2016/2017 ANNUAL REPORT



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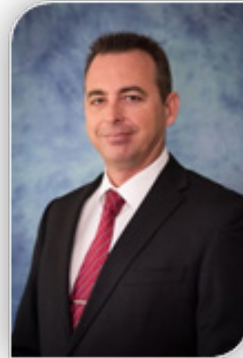
2016/17 ANNUAL REPORT

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Councillors



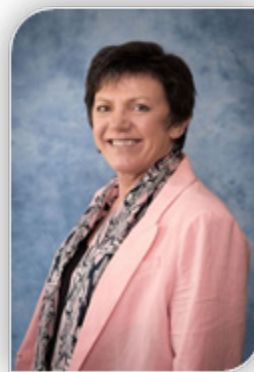
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Staff and Remuneration



Tony Nottle
Chief Executive Officer



Ian Rennie
Deputy Chief Executive Officer



Scott Clayton
Executive Manager
Corporate and
Community Services



Garrick Yandle
Executive Manager
Infrastructure

SALARY RANGE 2017

\$100,000 - 109,999 - 2

\$110,000 - \$119,999 - 2

\$160,000 - \$169,999 - 1

Full time equivalent employees 48

President's Report

It gives me great pleasure to once again be reporting to the Community as your Shire President after yet another successful and satisfying year in the Shire of Dandaragan. Our Shire continues to deliver on our Strategic Vision for our communities as we embrace our lifestyle and opportunities in our wonderful area.

We have been blessed with a number of projects that had significant State and local business funding such as the recently completed Turquoise Way Path construction from Jurien Bay to Hill River. The business community and the Shire of Dandaragan should be proud of what has been achieved with private and government funding to build a fantastic community and tourism asset. This infrastructure has the ability to encourage competitive sports, family outings, access to the beautiful Hill River as well as our world class beaches.

A change in State Government this year has had a significant impact on Royalties for Regions funding as we know it. We have been very lucky over the past 8 years with the funding that has flowed to the regions. I am proud to say that the Shire of Dandaragan has focused on upgrading its existing infrastructure including its Community Centres in the four towns, public conveniences as well as enhancing existing tourist attractions. While funding will be harder to come by in the ensuing years, I look forward to working with the new State Government to achieving our communities plans.

I will continue to lobby for our key priorities such as Aged Care and Health provision, Badgingarra Research Station, economic development and tourism opportunities.

I am also pleased to report that our local government is once again in a strong financial position due to the dedication of our Councillors and staff towards the big picture. I would like to take this opportunity to thank my fellow Councillors, and in particular my Deputy President Cr. Darren Slys for their hard work over the previous 12 months. Your Councillors have worked hard to listen and represent you in a number of ways both locally and regionally.

Lastly, I would like to thank our CEO, Mr. Tony Nottle and his wonderful staff for delivering on the strategic direction we have set for our community.



A handwritten signature in black ink that reads "Leslee Holmes".

Leslee Holmes
SHIRE PRESIDENT



Mr Ian Stiles, 2016 Citizen of the Year Nominee for Community Services with Shire President, Cr Leslee Holmes

Chief Executive Officer



I am pleased and proud to lead the Shire of Dandaragan through yet another successful and exciting year. This year was year 1 in the current Strategic Community Plan and Corporate Business Plan that was overhauled prior to the setting of the 2016/17 Budget.

As a result, our Council and staff have delivered the actions that align with the Community's needs and desires, while being mindful of our fiscal position both now, and into the future. I encourage all of our community members to take the time to read this Annual Report to see how the Shire of Dandaragan is working towards achieving our goals.

This year our Region has continued to attract increased visitation in the coastal areas and interest in the establishment of intensive agriculture and horticulture pursuits. We are blessed with our natural attractions such as the Pinnacles, Lake Thetis, the islands off of Jurien Bay, Sandy Cape, numerous beaches, Mount Lesueur National Park, wildflowers, Badgingarra National Park etc. and they continue to attract visitors and holiday makers into the area.

These natural attractions are also supported by the redevelopment of the Lobster Shack and Indian Ocean Rock Lobster facility in Cervantes and the Skydive operations in Jurien Bay that provide a great visitor experience.

The Shire continued to deliver on its major projects that supported our growth areas, including the Dobbyn Park Foreshore Extension along Grigson Street, and partnering with the Jurien Bay Chamber of Commerce, Department of Transport, Wheatbelt Development Commission and LotteryWest and the Kwelena Mambakort Aboriginal Corporation to assist in the construction of the Turquoise Way Path extension from Beachridge to Hill River. These two projects have not only increased the area's visitation appeal, but also provided a great community asset for our residents and ratepayers to enjoy.



Jurien Bay Jetty and Foreshore

Chief Executive Officer

Following on from the completion of the sealed link road between Indian Ocean Drive and Brand Highway (Mimegarra/Meadows Road link) our construction team commenced the first stage of the upgrade to Jurien East Road since the handing over responsibility of the road from Main Roads WA to the Shire of Dandaragan. Our team undertook a process of widening and reconstructing the first 7km of Jurien East Road from the Brand Highway to remove the risks associated with the increase in lime sand and tourist traffic.



Jurien East Road upgrade works

Our Community Services team also continued its planning towards a Youth Friendly and Aged Friendly Community in the Shire of Dandaragan.

In 2015 the Shire received funding from Department of Local Government and Communities to develop an age-friendly plan. The Plan was developed and structured using the Wheatbelt Development Commissions Age Friendly Community Planning Guide which was based on the World Health Organisation's eight domains of an age friendly community: health and community services; outdoor spaces and buildings; transport and movement; housing; sport and recreation; social participation; respect and social inclusion; and communication and information.

After conducting a baseline audit, and extensive community consultation with seniors around the Shire and other stakeholders about ways to improve the liveability of communities for older people, Council adopted the Shire of Dandaragan's first Age Friendly Community Plan in April 2016.

Chief Executive Officer

In early 2017, staff did a follow-up audit to determine areas of improvement and areas where more attention is required. This re-audit saw an improvement in our Age Friendly Score from 4.9/10, to 5.6/10 due to improvements across all domains except sport and recreation which had a slight decrease in satisfaction.

The Shire partnered with Wheatbelt Development Commission and Shire of Gingin in the Creating Age-Friendly Communities in Small Towns: local transport solutions project. This was a 22 week trial of a coastal bus for seniors which ran from Jurien Bay to Joondalup. Despite good support from the community and high satisfaction of users, the service was not financially viable and Council were unable to continue beyond the trial period. The Shire will continue to advocate for better transport solutions for older people.

The Shire received funding from Department of Local Government and Communities in 2016 to create a youth plan. A consultant was engaged to work with staff to undertake consultation with young people around the Shire. Almost 150 young people from Badgingarra, Cervantes, Dandaragan and Jurien Bay were surveyed or attended workshops to get a sense of how the Shire could improve engagement with young people, and to get an indication of what is important to young people. The aim is to assist young people in the decision making processes of the Shire to ensure that Council is making appropriate decisions based on input and consideration of young peoples' perspectives.

Council received the Shire of Dandaragan Youth-Friendly Community Development Report in July 2017. Staff will continue to work on developing a Youth Plan with input from young people.

Council continued to support events within the Shire with major events including Indian Ocean Festival, Youth Festival, Jurien Bay Triathlon and Spray the Grey.



Spray the Grey Youth Festival 2017

Chief Executive Officer

Council also participated in a coastal transport trial that was cofounded between the Shire of Dandaragan, Shire of Gingin and the Wheatbelt Development Commission. This trial service offered transport to and from the coastal areas across the Gingin/Dandaragan Shires for seniors to access services and facilities in the metropolitan area. While the trial was well received by the participants, the relatively low usage and consistency of use proved the service to be unviable.

The Shire also supports the Community Resource Centres in Jurien Bay and Dandaragan by providing access to quality rent-free premises for their operations. The Shire continues to partner with the Dandaragan CRC to provide Shire services such as Shire rates payments, dog licensing and library services among others for a fee for service basis.

The West Midlands Group also resides in the Dandaragan CRC Building, who the Shire partners with on a number of projects throughout the year. We are extremely pleased to continue to be a Diamond Partner of the West Midlands Group, to support this wonderful organisation and our growers within our Shire.

This year marks the first full year's operation of the Turquoise Coast Visitors Centre in Jurien Bay. I am pleased to note that the statistics surrounding our growth and visitation since commencing control of the Visitors Centre has had a positive outcome. Comparing the period in July 2016 to July 2017, the Centre's visitor's numbers have increased a further 45%. It has increased a further 51% when comparing the 2016 and 2017 August figures. This also coincides with the increased visitation to our Shire, with statistics from Tourism Research Australia indicating growth patterns.

Statistic	2013	2014	% change 2013-14	2015	% change 2014-15	% change 2013-15
Number of visitors	209,200	227,000	8.51%	250,000	10.13%	19.50%
Number of nights	310,300	357,000	15.05%	371,000	3.92%	19.56%
Total spend	\$42.7million	\$49million	14.75%	\$52milli	6.12%	21.78%

Our Shire, and in particular the town site of Jurien Bay, continues to grow. Following the completion of the 2016 Census the statistics showed that Jurien By had grown above the State average.

JURIEN BAY (6516)	CERVANTES (6511)	BADGINGARRA (6521)	DANDARAGAN (6507)
People - 1,761	People - 527	People - 352	People - 536
Male - 50.8%	Male - 55.4%	Male - 52.7%	Male - 57.2%
Female - 49.2%	Female - 44.6%	Female - 47.3%	Female - 42.8%
Median Age - 48	Median Age - 51	Median Age - 47	Median Age - 44
Families - 477	Families - 134	Families - 112	Families - 142
All private dwellings - 1,502	All private dwellings - 536	All private dwellings - 327	All private dwellings - 302
All private dwellings - 1,502			

Chief Executive Officer

The Shire has continued to expand its Community Services through a variety of ways including the continuation of the Leeuwin Scholarship, Community Grants Scheme, hosting of the Regional Club Development Officer Scheme and youth initiatives.

Our Shire directly employs approximately 65 people and approximately a further 20 people employed indirectly through regular contracts for services. I take this opportunity to thank all of those at the Shire of Dandaragan for the continued commitment to providing services to our communities.

STAFFING



The Pinnacles, Nambung National Park, Cervantes

Chief Executive Officer

Our staffing has continued to remain relatively stable. However after 35 years of service, our long servicing Deputy CEO, Mr Ian Rennie, announced his retirement from Local Government. Ian will be sorely missed by all members of Council and staff, and his commitment to the Shire of Dandaragan has certainly been appreciated by the community, Council and staff.

BUDGET INITIATIVES

As with previous years, Council continues to implement a number of initiatives to assist in the growth and development of the Shire. Some of these included:

- Discount for users of the Jurien Bay Airstrip (JBA) - total discount \$28,018
- Free use of the JBVICC for educational purposes

BUDGET INCENTIVE/INITIATIVE	VALUE OF DISCOUNT
Landing Fees waived to encourage use of the Jurien Bay Airstrip	\$13,357.00
Central West Men's Shed (Cervantes) waiver of annual rates	\$3,372.00
Waiver of charges to JBDHS for use of Education/Conference Centre	\$6,220.00

I certainly encourage you all to read the Annual Report for 2016/17 and reflect on another successful year for the Shire of Dandaragan.



Tony Nottle
CHIEF EXECUTIVE OFFICER

Development Services

The areas covered by this report include the following:

- Planning
- Building
- Environmental Health
- Emergency Services
- Ranger Services

The following is a brief summary of some of the projects undertaken and issues faced in the Development Services department.

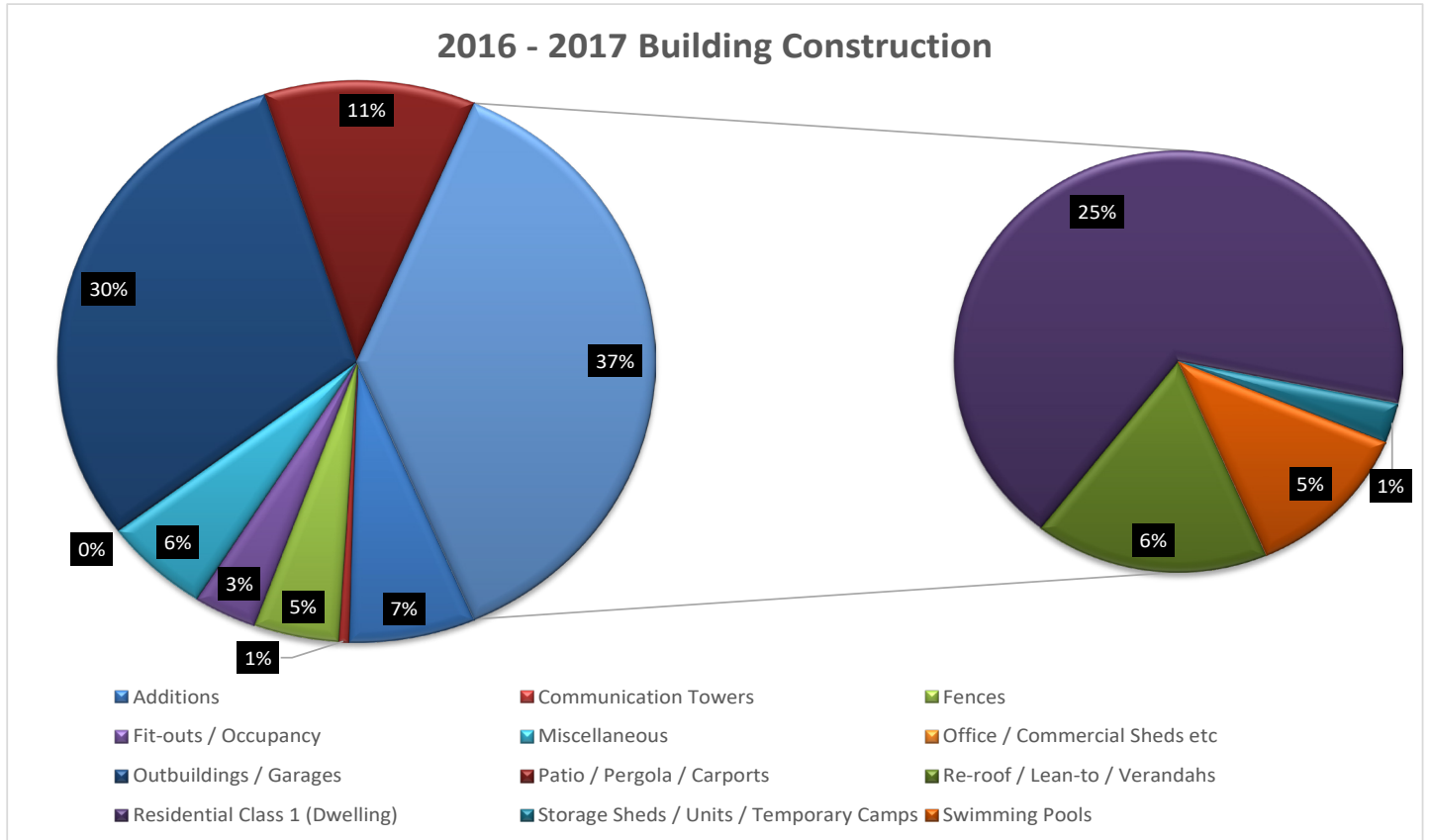
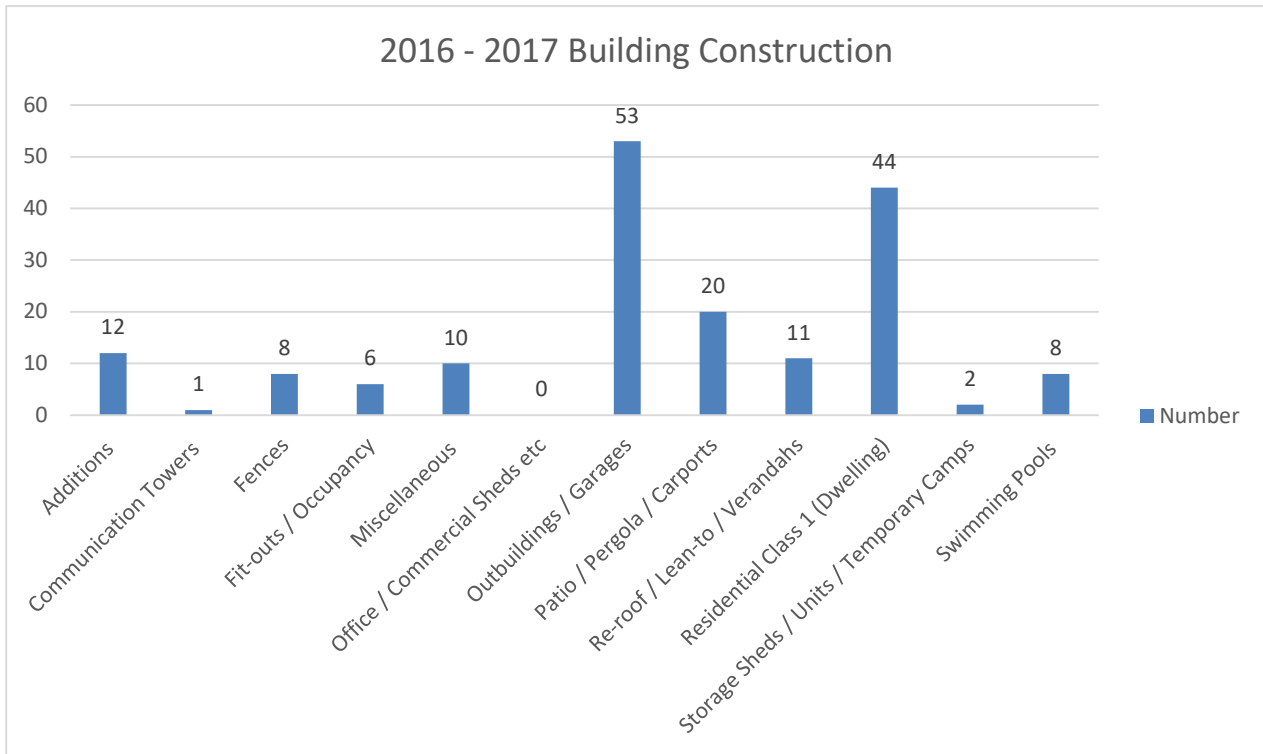
SUMMARY BUILDING STATISTICS 2016/2017

Class 1 Residences	44	\$11,074,137.00
Outbuildings / Garages	53	\$1,133,782.00
Patio / Pergola / Carports	20	\$113,423.00
Swimming Pools	8	\$368,860.00
Additions	12	\$995,045.00
Office / Commercial Sheds		
Fit-outs / Occupancy	6	\$12,600.00
Fences	8	\$73,581.00
Re-roof / Lean-to / Verandahs	11	\$111,100.00
Storage Sheds / Units / Temporary Camps	2	\$2,702,641.00
Communication Towers	1	\$300,000.00
Miscellaenous	10	\$2,611,739.00
TOTAL	175	\$19,496,908.00

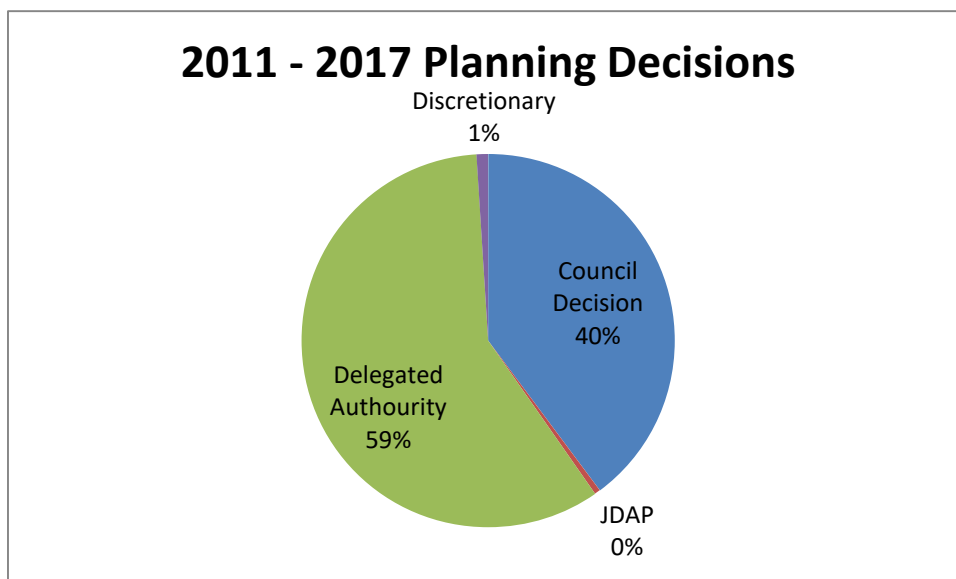
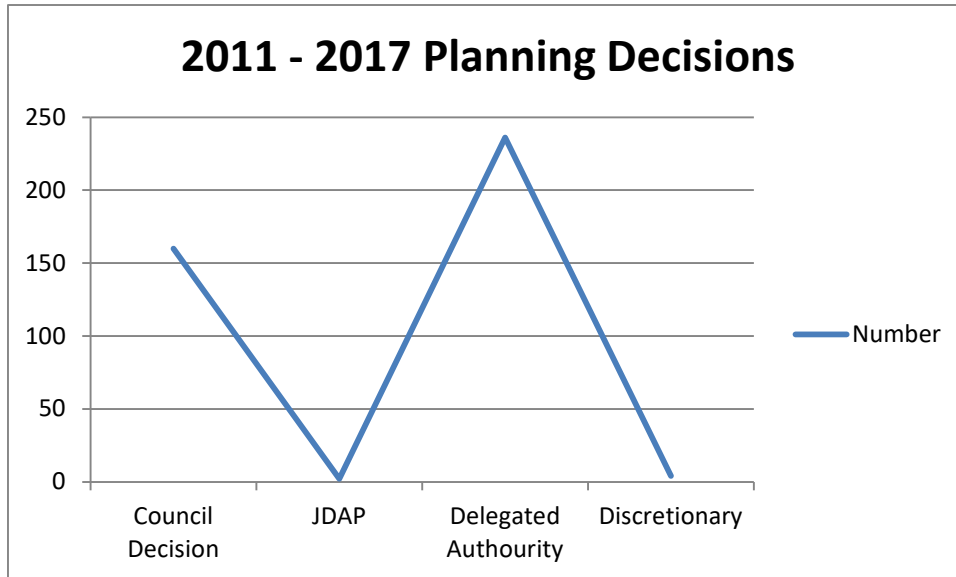


AAA Egg Farm

Development Services

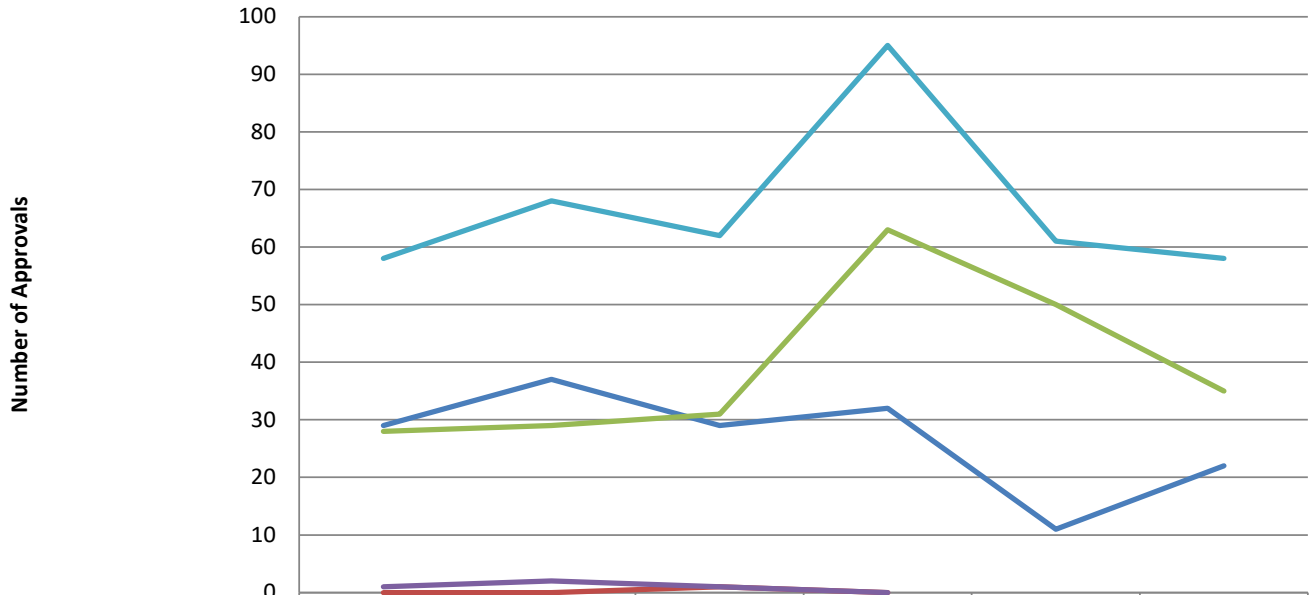


Development Services



Development Services

Planning Decisions



	2011/12	2012/13	2013/2014	2014/15	2015/16	2016/ 17
Council Decision	29	37	29	32	11	22
JDAP	0	0	1	0		1
Delegated Authority	28	29	31	63	50	35
Discretionary	1	2	1	0		
Total	58	68	62	95	61	58



Emu Downs Solar Farm

Development Services

BUILDING REPORT

Community Consultation and design on the Cervantes Multipurpose Performing Arts and Cultural Centre was undertaken. In conjunction with the community consultations and the development of the design drawings and documentation process, a fire engineering consultant was also busy with the development of an alternate solution for the fire projection of the building and the additions to satisfy the fire safety requirements of the Building Code of Australia (BCA) 2016 Volume One.

The shortfall on site is the unavailability of hydrant water at a specified pressure and flow rate required to serve the building of the new total floor area, and which is not available from the water supply infrastructure serving Cervantes. The result was a need for an alternative solution to enable the project to proceed within tight budgetary constraints.

A process of providing an alternative solution from a fire engineering consultant is permitted by the Building Act 2011 and the Building Regulations 2012 to ensure the equivalent, or better, fire protection performance requirements for the building as specified in the BCA 2016 Volume One for a Class 9a assembly building.

This is an ongoing project expected to be completed in 2017/18 financial year

MAJOR PLANNING APPROVALS

During the 2016 / 2017 Financial Year, Council approved or reapproved a number of major Development Applications including the following:

- Additional grain storage at Regans Ford for CBH
- Redevelopment of Indian Ocean Rock Lobster Cervantes
- Renewal of planning approval for the establishment of the Badgingarra Wind farm Project.
- Planning approval for RSL Respite Centre Bashford Street Jurien Bay.

COASTAL HAZARD RISK MANAGEMENT AND ADAPTION PLANNING

The project undertaken aims to assist the Shires of Gingin and Dandaragan to develop risk mitigation strategies for coastal settlements that are or are predicted to come under pressure from coastal development and change associated with coastal erosion and inundation, and to integrate these strategies into relevant planning instruments.

The draft Dandaragan Coastal Hazard Risk Management and Adaption Planning report was presented to Council and referred to the Department of Planning for comment. The Department of Planning requested further information and consultation be undertaken, recognising that the report is breaking new ground and evolving as knowledge increases. Community forums were held in May 2017 to inform the community of the coastal processes and seek input into the drafting of the planning report.

Progress on the finalisation of the report continues and it is expected to be completed in the 2017/2018 financial year.

LOCAL DEVELOPMENT PLAN

Council advertised the proposed Local Development Plan for Lot 62 Roberts Street, Jurien Bay by publishing a notice of the proposed plan in a newspaper circulating in the Scheme area and on the Council website, including a statement that submissions may be made to the local government by 12 August 2016. Progress on the finalisation of the plan continues and it is expected to be completed in the 2017/2018 financial year.

Development Services

DISABILITY SERVICES REPORT

Council continues to be conscious of the need to provide accessible facilities and events. In accordance with the Shire of Dandaragan's 2012 - 2017 Disability Access and Inclusion Plan (DAIP) the Shire ensures that new buildings and landscaping comply with the latest standards. Existing Shire facilities are gradually upgraded to ensure that they can be enjoyed by everyone. The DAIP is regularly reviewed by staff and listed actions are progressively implemented.

Objectives included in the Shire's Annual Report to the Disability Services Commission are: Access to Services; Built Infrastructure; Communications; Quality of Services; Consultation; and Employment.

The DAIP provides a number of strategies to ensure that facilities, services, events, information and employment opportunities are available to all community members – including those who have a disability. Some of the key highlights for this year include the upgrade of the Shire's website to ensure people with all abilities are able to use it.

The Shire consulted with the community on a variety of projects. Checklists were used to ensure that consultations were accessible and inclusive to the whole of the community. This included assessments of venues, accessible information, invitations and online surveys, which were 'Web Content Access Guidelines 2.0' compliant.

ENVIRONMENTAL HEALTH

During the reporting period the Public Health Act 2016 was formally approved by the Parliament of Western Australia. This contemporary public health legislative framework will replace the Health Act 1911 over an extended transition period. The new Act includes a requirement for the State Government and local authorities to develop a Public Health Plan. Work on the Shire's cross-organisation plan has already commenced; this will be a valuable tool to map and guide the Shire's public health activities into the future.

The Shire's Environmental Health Officer (EHO) assesses and administers public health and environmental conditions affecting the Shire's residents, businesses and visitors. The premises of interest range from food businesses – including event and market food stalls, unique food vehicles, alfresco dining and food manufacturers – liquor licensed venues, public buildings, public swimming pools, public beach monitoring, lodging houses, minor industrial premises, body art/skin piercing businesses and hairdressers.

One hundred and forty registered businesses operating in the Shire were inspected and assessed by the Environmental Health Officer against legislative standards to prevent disease, minimize environmental impacts and maintain public safety. Approximately 30 public events and markets were assessed, approved and inspected by the EHO in 2016-17.

The Shire undertakes a range of actions designed to maintain and protect public health. Twenty eight on-site waste water disposal systems were assessed, approved and inspected.

During the year, more than 200 risk assessments of home occupations, offensive trades, caravan parks, public and private pools, recreational waters and waste facilities were carried out to ensure legislative requirements are being adhered to. In addition, the Shire responded to nearly 100 service requests on a range of issues including noise, pests, food, waste water and other general health issues.

EMERGENCY SERVICES

The 2016/2017 financial year provided reasonably busy year for the Volunteer Bushfire Brigades within the Shire of Dandaragan. One of the most significant fires was the Meadows Road/Mimegarra Road fire that started on 22 December 2016. This fire was suspicious and reported to Arson Investigation, total area burnt of 2,800 Hectares affecting Unallocated Crown Land, Private property and Forrest Products Commission plantation. Local and external fire fighters spent 3 days monitoring this fire once contained.

Development Services

During the course of the year, we have seen the implementation of Automotive Vehicle Location system and Deluge Systems fitted to ESL/LGGS Fire Appliances, these recent upgrades for part of the comprehensive Crew Protection System that was a recommendation after previous report into the Black Cat Creek Fire. Comprehensive Crew Protection Systems training has also been delivered as part of the system upgrades.

DFES is currently in the process of implementing the 400MHz project, all Fire Appliances within the shire of Dandaragan have been reprogrammed ready for the system to go live. Training to all Brigade will take place prior to the commissioning of the new system.

Bushfire brigade volunteers have really embraced fire training provided by Department of Fire and Emergency Services, with a strong contingent attending a wide range of strategic training to better assist their brigades and support the Shire of Dandaragan and the community.

RANGER SERVICES

The statistics indicate that during the summer months, November to March the main activity for Ranger Services is fire control. The months following reflect an increase in the amount of tourists in the Shire and the focus for Ranger Services moved toward customer education and monitoring camping areas. One area of particular emphasis has been the use of off road vehicles and dog control. The Easter and Anzac weekends saw an increase in off road vehicles queries.

Since the upgrades to Sandy Cape there has been nothing but praise from the general public and a big increase of campers.

The 2016/2017 rural aerial firebreak inspections were carried out with the assistance of Chief FCO Mr. Richard Allen and FCO Mr. Bruce Cook. Follow up on ground inspections were carried out by the rangers. Some infringements were issued along with a number of work orders. The work orders were issued as part of an education program; this hopefully will assist in compliance next year. (see below)

LOCALITY	NO. OF INFRINGEMENTS
Residential (Jurien Bay)	35
Residential (Light Industrial - Jurien Bay)	1
Residential (Cervantes)	2
Residential (Dandaragan)	1
Special Rural (Dandaragan)	1
Rural-Residential (Jurien Bay)	6
Rural-Residential (Dandaragan)	1
Rural (Regans Ford)	3
Rural (Badgingarra)	3
Plantation (Dandaragan)	1
TOTAL	54

Development Services

LOCALITY	NO. OF WORK ORDERS
Jurien Bay Urban	45
Cervantes Urban	23
Badgingarra Urban	3
Cervantes Rural	3
Jurien Bay Rural Residential	19
Dandaragan Rural	3
Badgingarra Rural	8
TOTAL	104



Ian Rennie
DEPUTY CHIEF EXECUTIVE OFFICER

Infrastructure Services

The Infrastructure Department is responsible for all operational staff, with crews based in Jurien Bay and Dandaragan. These crews are responsible for the maintenance and development of the Shire's roads, footpaths, storm water infrastructure, parks and gardens, sporting fields, and the four landfill sites.

GENERAL WORKS

Crews have been busy throughout the year carrying out regular maintenance of the Shire's Infrastructure assets.

The Jurien Bay Crew is responsible for all aspects associated with Parks and Gardens within each of the four Shire towns, as well as the urban streets. This includes maintenance of the foreshore areas and swales within Beachridge.

The Dandaragan Crew is responsible for all aspects associated with road maintenance including maintenance grading, road-side spraying and slashing, culvert cleaning, and pavement repairs. The crew operates two maintenance graders and a road patrol truck which manage road maintenance across gravel roads, sealed roads and town streets within the Shire.

Where necessary the crews share equipment and resources. Where required the Shire also uses local contractors from our tender panel to undertake tasks surplus to our resources or requiring a specific skillset.

PERSONNEL

The 2016 / 2017 financial year saw a consolidation of the recent management position changes within the Infrastructure Department. The infrastructure leadership positions are as follows:

- Executive Manager Infrastructure – Garrick Yandle
- Jurien Bay Operations Supervisor (Parks and Gardens) – Troy Wright
 - Troy Wright was Acting Community Emergency Services Coordinator from February 2017.
 - Shaun Lyons was Acting in this position from February 2017 until the end of financial year, whilst Troy was in the Acting CESC Role.
- Dandaragan Operations Supervisor (Works) – Paul Woolstencroft
- Infrastructure Asset Coordinator – Angus Padfield (commenced in January 2016)
- Reticulation Fitter – Geoff Beale (retired May 2017)
 - Replacement will be sorted in September 2017, when irrigation season recommences.
- Yardman – Graeme Gardner
 - Finished in this role in March 2017 and transferred across to Ranger Services.
 - This position was then abolished.
- Leading Hand Light Plant Maintenance – Cameron Rosenthal
 - New position created in June 2017.
 - Manage repairs and mechanical maintenance of light plant in Jurien Bay Depot.
- Leading Hand (Parks and Gardens) – Shaun Lyons
- Leading Hand (Final Trim Grader Driver) – William Sturges.
- Leading Hand (Road Crew) – James Deaker was appointed during the year to provide additional leadership onsite.
- Mechanic – David Taylor.



Infrastructure Services

The Infrastructure team also continues to manage the four landfill facilities within the Shire through a combination of staff and local contractors.

CAPITAL WORKS PROJECTS - GENERAL

The following section provides a summary of Capital Projects undertaken by the Infrastructure team in 2015/16.

Jurien Bay Sewerage Project – Stages 1C

The Jurien Bay Sewerage Stage 1A and 1B was commissioned in June 2016. There was a budget saving of this project of approximately \$800,000. These remaining funds were used to undertake further infill sewerage in specific areas of the Jurien Bay town centre as Stage 1C. These areas were completed as follows:

- Section C Bashford Street (November 2016 - December 2016)
- Section D Cook Street (December 2016 – February 2017)
- Section B Whitfield Road (February 2017)

Bashford Street Upgrade

The Concept Design for a potential future Bashford Street Upgrade was completed by Cardno in February 2014 and presented to Council. The design was reviewed by the Infrastructure team, with Council feedback presented to the consultant. The Concept Design was revised and was presented at a Community Workshop in February 2015. The Concept Design was endorsed by Council in March 2015. The Infrastructure team has continued to work with Cardno regarding detailed design, which is expected to be completed during early 2017.

Currently the Shire does not have any funding for the whole construction works of the project however potential funding sources will be pursued as the design progresses. Completing the Preliminary and Detailed design will provide greater opportunities towards obtaining funding for the project. Shire Officers have been working with the Wheatbelt Development Commission (WDC) in the development of Business Case Documentation suitable for submission for significant potential funding sources.

- Jurien Bay Town Centre Revitalisation Business Case
 - Suitable for funding submission.
 - Investigate and identify potential funding sources
 - Royalties for Regions
 - Building Better Regions Funds
 - Investigate and identify potential co-contributions.
 - State government agencies
 - Other grants
 - Working with state government agencies regarding approvals
 - Main Roads WA Midwest Region
 - Western Power
- Shire Reports
 - Project Management Plan
 - Procurement Plan
 - Communication Management Plan
 - Risk Management Plan
 - Cost Estimate
 - Historical Costs
 - Economic Development
 - Preliminary Design

Infrastructure Services

- Underground Power
- Street Lighting
- Shire Reports (continued)
 - Civil Works
 - Landscaping
- Cost Benefit Analysis
- WDC Reports
 - Business Case

Foreshore Redevelopment

The Infrastructure team continued to work on the planning and construction procurement for the Jurien Bay Foreshore Redevelopment. Construction commenced in April 2016 as was completed in February 2017.

Key components of the project included:

- Clearing Permit.
- Irrigation bores and Water Storage Tanks.
- Earthworks and clearing.
- Fencing and Traffic Management onsite during construction.
- Installation of irrigation pipework
- Topsoil preparation
- Turf installation
- Drainage installation
- Landscaping at jetty precinct
- Landscaping and car park upgrade at Cook Street toilets
- Street furniture installation

Jurien Bay Entry Statements

Submissions were sought from the public for the design of new entry statements for the township of Jurien Bay. Submissions were received in December 2014 and advertised for public comment during January 2015. The submissions were presented at a Community Workshop in February 2015. The preferred design submission provided by ICAN was endorsed by Council in March 2015. The Infrastructure team continued to work with ICAN regarding detailed design and costs. Construction was completed in early 2016.

- Contractor Little Rhino Designs was appointed to progress design through to construction.
- Installation was completed in September 2016.

Beachridge Planter Boxes

Work continued on the staged renewal of the Beachridge planter boxes. This has entailed the infill of the old tree box areas located in the park strips throughout Beachridge where trees were causing pavement damage. The Infrastructure team is progressively filling in the areas with asphalt each year.

- Construction completed in December 2016.

Footpath Bashford Street (Lindsay Street to Cook Street)

- Works completed December 2015.
- Included an additional connection to Bashford Street crossover near Cook Street.
- Included an additional connection through Harding Park between Lindsay Street and Lesueur Drive

Infrastructure Services

ADDITIONAL CAPITAL WORKS PROJECTS - GENERAL	SUMMARY OF WORKS COMPLETED
Turquoise Path	<ul style="list-style-type: none"> The section reconstructed was within the Jurien Bay Foreshore Redevelopment area. Works were undertaken concurrently. Asphalt completed February 2017
Dual Use Path Bayliss Street (Bashford to Hamersley)	<ul style="list-style-type: none"> Completed in conjunction with Bayliss Street road-works February 2017
Footpath Meagher Drive (Reimers to Brand)	<ul style="list-style-type: none"> RFQ developed and issued to potential contractors for quote. Completed April 2017
Jurien Bay Airstrip	<ul style="list-style-type: none"> Southern apron and taxiway. Completed April 2017
Dual Use Path Whitfield Road (Bashford to Hamersley)	<ul style="list-style-type: none"> Completed June 2017
Cervantes Waste Facility Fence	<ul style="list-style-type: none"> Works completed July 2017
Cervantes Oval Tank Replacement	<ul style="list-style-type: none"> Tank has been ordered Completed July 2017

CAPITAL WORKS PROJECTS - ROADS

Rural Roads

Seal Renewal - funded through Regional Road Group [RRG]

Mimegarra Road	<p>The Shire was fortunate to receive \$5M of State Initiatives funding from the WA State Government for the upgrade of Mimegarra / Meadows Roads. This entailed upgrading some 25km of a Type 3 gravel road to a Type 6 sealed road. Construction of the Meadows Road section took place in late 2014.</p> <p>This included pavement preparation with 150mm of gravel road base being imported and prepared along the 12km section, with the two coat seal being undertaken in December 2014. The section from Meadows Road to Brand Highway was completed over the financial years 2015/2016 and 2016/2017.</p> <p>The Shire continues to liaise with Iluka regarding their planned works at the Brand Highway end of Mimegarra Road.</p> <p>Works were completed by Shire staff with a combination of local sub-contractors for specific components of the project. A summary of the 2016/2017 works is as follows:</p>
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Infrastructure Services

Mimegarra Road (continued)	<ul style="list-style-type: none"> • 2nd coat seal completed February 2017 • Site clean-up works completed April 2017 • Signage scheduled May 2017 • Spotting completed April 2017 • Line marking completed May 2017 • Final kerbing and culverts completed June 2017
Dandaragan Road	<p>Pavement reconstruction and widening</p> <ul style="list-style-type: none"> • SLK 37 - 40 (near Stockyard Hill Road) • Changed to near Koodie Woodie Hill • 1st coat primerseal completed December 2016 • 2nd coat scheduled December 2017 <p>2nd coat seal to be undertaken</p> <ul style="list-style-type: none"> • SLK 51 – 55 (near Gillingarra Road) • Completed December 2016. • Line marking scheduled for early 2017
North West Road	<p>Reinstatement white lining</p> <p>Spotting completed April 2017</p> <p>Line marking completed May 2017</p>
Rowes Road	<p>Pavement reconstruction and widening</p> <p>SLK 30 – 33 (near Koodjee Road)</p> <p>Pavement construction completed November 2016</p> <p>1st coat primer seal completed 16 November 2016</p> <p>2nd coat scheduled December 2017</p> <p>Line marking scheduled for early 2017</p>
Sandy Cape Road	<p>Pavement reconstruction and widening</p> <ul style="list-style-type: none"> • SLK 2 – 4. • Pavement construction to be completed November 2016 • 1st coat primer seal completed November 2016
Jurien East Road	<p>Design works</p> <ul style="list-style-type: none"> • Upgrade from Brand Highway (SLK 0) to Cockleshell Gully Road (SLK 24) • Approximately 24km to be done in stages over 3 years • Survey undertaken March / April 2016 • Design completed December 2016 • Environmental Survey completed October 2016, awaiting report and Clearing Permit Application • Full clearing for widening to commence once Clearing Permit received <p>Construction</p> <ul style="list-style-type: none"> • SLK 0- 7 • Reconstruction & pavement widening to 10m with 8m seal • Construction completed March 2017 • 1st coat primer seal completed March 2017

Infrastructure Services

Gravel Resheets – predominantly funded through Municipal Funds

Goonderdoo Road	<ul style="list-style-type: none"> • Carryover from 2016/2017 • Gravel Resheet completed early July 2016
Agaton Road	<ul style="list-style-type: none"> • Gravel Resheet SLK 4 – 8 and SLK 12 – 16
Gillingarra Road	<ul style="list-style-type: none"> • Gravel Resheet • SLK 10 – 15 (near Moochamulla Road) • Completed late September 2016
Cantabilling Road	<ul style="list-style-type: none"> • Gravel Resheet • SLK 12 – 16 (near Nylargarda Road) • Completed May 2017
Yeeramullah Road	<ul style="list-style-type: none"> • Gravel Resheet • SLK 26 – 31 (Near Cowalla Peak Road) • Completed June 2017
Uncompleted carryover to 2017/2018	
Koodjee Road	<ul style="list-style-type: none"> • Gravel Resheet • SLK 3 – 7 • Commenced November 2016, to be completed July 2017
Cadda Road	<ul style="list-style-type: none"> • Gravel Resheet • SLK 22 – 26 (near Munbinea Road) • Scheduled July 2017
Mackays Road	<ul style="list-style-type: none"> • Gravel Resheet • SLK 0 – 3 (near Watheroo Road) • Scheduled July 2017

Urban Roads (funded through Roads to Recovery [RTR])

Murray Street – Jurien Bay	<ul style="list-style-type: none"> • Reconstruction and reasphalt • SLK 0.0 – 0.25 (Bashford to Sandpiper)
Bayliss Street – Jurien Bay	<ul style="list-style-type: none"> • Reconstruct pavement and reasphalt • SLK 0.0 – 0.2 (Bashford to Hamersley) • Works completed February 2017
Seville Street – Cervantes	<ul style="list-style-type: none"> • Reconstruction and reasphalt • SLK 0.1 – 0.7 (Valencia to Weston) • Completed June 2017
Carmella Street - Jurien Bay	<ul style="list-style-type: none"> • Reconstruct pavement, upgrade drainage and reasphalt • SLK 0.0 – 0.6 (Bashford to Boulanger) • Works completed July 2017

Infrastructure Services

PARKS AND GARDENS

The Parks and Gardens team and specific contractors continue to maintain all assets in each of the 4 towns within the Shire. Key areas of note in each town are:

BADGINGARRA	<ul style="list-style-type: none"> • Oval • Badgingarra Community Centre surrounds • Town Streets • Badgingarra Landfill Site
CERVANTES	<ul style="list-style-type: none"> • Oval • Cervantes Community Recreation Centre surrounds • Parks • Town Streets • Industrial Area • Airfield • Cervantes Waste Transfer Station
DANDARAGA	<ul style="list-style-type: none"> • Oval • Dandaragan Community Centre surrounds • Pioneer Park • Town Streets • Community Resource Centre Grounds • Cemetery • Aggie's Cottage • Dandaragan Landfill Site
JURIEN BAY	<ul style="list-style-type: none"> • Oval - Turf stripped in November 2016 to remove excessive infestation of buffalo grass. - Top Dressed with soil conditioner and yellow sand. - Couch grass allowed to regrow. - Regrowth period November 2016- February 2017. • Jurien Community and Recreation Centre surrounds • Town Streets • Public Open Space • Beachridge Swales • Jurien Bay Jetty • Turquoise Way • Sandy Cape • Cemetery • Industrial Areas • Airfield • Jurien Landfill Site

Infrastructure Services

PLANT AND EQUIPMENT

In 2016/2017 the Shire replaced or bought the following items of Plant and Equipment

Heavy Vehicles	<p>Side Tipper and Dolly</p> <ul style="list-style-type: none"> • Replace Pig Trailer • 2nd Hand Semi Side Tipper • 2nd Hand Dolly • Completed 14/02/17 <p>6 Wheeler</p> <ul style="list-style-type: none"> • Arrived December 2016 • Road Patrol Truck • Arrived early January 2017 <p>Loader Changeover</p> <ul style="list-style-type: none"> • 2nd hand CAT950 from Westrac • Disposal of Kobelco from Cervantes yard • Completed
Parks Equipment	<p>Trailers</p> <ul style="list-style-type: none"> • Mower trailer for Dandaragan • Completed <p>Mowers</p> <ul style="list-style-type: none"> • Turf cutter – completed • Vertimower – push mower – completed
Light Vehicles	<p>3 x Utes to be changed over</p> <ul style="list-style-type: none"> • Dispose of 3 oldest utes in fleet • Pass vehicles down the line • New vehicles for Jurien Bay Operations Supervisor, Dandaragan Operations Supervisor, and Senior Ranger • Completed early January 2017
Minor Equipment	<p>Sprayer and Tank</p> <ul style="list-style-type: none"> • 3,500L tank for road maintenance truck <p>Swale mower</p> <ul style="list-style-type: none"> • Procurement being investigated. • Hire machine being trialled October 2016 • On hold



Jurien Bay Grigson Street Foreshore Redevelopment

Infrastructure Services

ASSET MANAGEMENT

The Infrastructure team continues to development key Asset Management programs for Shire Infrastructure. Key items addressed in 2016 / 2017 as part of ongoing Asset Management included:

Infrastructure Management Procedures	<ul style="list-style-type: none"> • Document reviewed • To be utilised in developing relevant Asset Management Plans
Asset Management Roads	<p>EMI presented Road Asset Management Overview at May Forum including:</p> <ul style="list-style-type: none"> • Categorising Roads Hierarchy 1 – 5 • Level of Service 1 – 5 • Condition Rating Inspection 1 – 5 • Heavy Vehicle (RAV) Policy • Capital Budget for 2016/17 <p>Data Collection</p> <ul style="list-style-type: none"> • All roads are in RAMM • Require revaluing <p>2016/17 activities</p> <ul style="list-style-type: none"> • EMI and AIC updating AMP with Opus • Hierarchy and RAMM Review Completed • Unit Renewal Costs being evaluated • Road continion rating inspections undertaken • Revised AMP due June 2018
Foot Path Asset Management Plan	<p>RAMM Data</p> <ul style="list-style-type: none"> • Survey completed late 2014 • Valuations unit rates to be verified and updated • Renewal works completed to be updated <p>Develop Hierarchy</p> <ul style="list-style-type: none"> • High and Low • Level of Service • Condition Rating • (Use information from Bike Plan) <p>These values need to be updated into RAMM</p>
Reserves / Parks Asset Management Plan	<ul style="list-style-type: none"> • Photos and valuations to be added • Review against Public Open Space Policy • Ben Symmons – consultant from Asset Infrastructure Management engaged to update AMP • Condition Rating to be completed • Level of Service to be completed
Building Asset Management Plan	<ul style="list-style-type: none"> • RAMM Data - previously picked up by Ben Simmonds has been uploaded into RAMM • Photos and valuations to be added • Review against Public Open Space Policy • Condition Rating to be completed • Level of Service to be completed • Over the last 2 years we have had all buildings and infrastructure (minus roads and footpaths) valued by Griffin Valuers for both insurance and fair value including replacement cost, remaining effective life and current value

Infrastructure Services

Airport Asset Management Plan

- Completed June 2015
- Executive Manager Infrastructure to review bi-annually
- Executive Manager Infrastructure conducted Condition Rating inspection May 2016
- Executive Manager Infrastructure developing capital renewal budget projects for 2016/17 and next 5 years
- Executive Manager Infrastructure developing maintenance plan



Jurien East Road

Infrastructure Services

STRATEGIC PLAN

The following key performance indicators from the Shire of Dandaragan Strategic Community Plan were addressed by the Infrastructure Team in 2016 / 2017:

GOAL AREA	KEY PERFORMANCE INDICATOR	COMMENTS
1. Great placed for residential and business development	<ul style="list-style-type: none"> Ensure timely provision of essential and strategic infrastructure 	<p>Key infrastructure essential and strategic projects have been undertaken as per the Capital Projects sections of this report. Significant projects include:</p> <ul style="list-style-type: none"> Jurien Bay Infill Sewer Project Stage 1. Jurien Bay Foreshore Redevelopment. Mimegarra Road upgrade. Sandy Cape Road upgrade. Corunna Road renewal. Meagher Drive reseal
	<ul style="list-style-type: none"> Residents have access to television channels 	<p>The Shire continues to distribute television service from the Jurien Bay Depot. Currently the community has access to all channels available to resident in regional Western Australia</p>
2. Healthy, Safe and Active Community	N/A	
3. Strong and connected community	N/A	
4. Healthy Natural and Built Environment	<ul style="list-style-type: none"> Manage and maintain priority road verges which link or are strategic sites on Shire reserves Develop and implement gravel pit restoration program 	<p>Relevant gravel pits continue to be maintained and rehabilitated on an ongoing basis.</p>

The Infrastructure Department continues to be an extremely busy and vital component of the Shire's delivery of services to the communities of Jurien Bay, Dandaragan, Cervantes and Badgingarra. The day-to-day routine maintenance activities, combined with the capital projects, has kept all members of the team active and provided great opportunities for staff and local contractors to work together. The year 2017 / 2018 looks to be busier again with more capital works projects likely to reach construction phase as the Shire continues its pursuit of strategic infrastructure development.

Garrick Yandle
EXECUTIVE MANAGER INFRASTRUCTURE

Corporate & Community Services

FINANCE

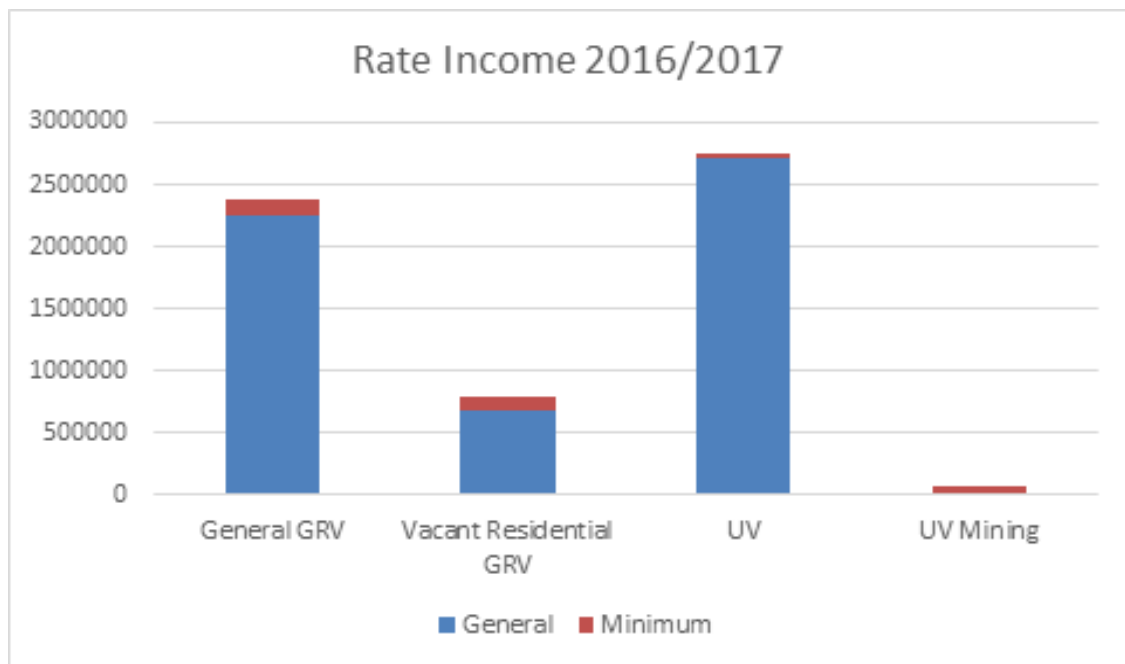
Rates and Charges

A total of \$5,772,983 was levied in property rates in the 2016/17 financial year. In the process of rates collection a further \$48,479 in income was recognised from interest on unpaid rates and instalment plan interest.

As at 30 June 2017, 95% of rates had been collected.

A specified area charge totalling \$115,872 for repayment of a loan for the design, concept, planning, costing and construction of the Jurien Bay jetty project was also levied in 2016 / 2017. This marks the end of the loan repayments for the jetty

Finally, a total of \$817,721 for refuse charges was collected from rateable properties in 2016 / 2017



GRANTS

A total of \$6,710,858 in grants was secured by the Shire of Dandaragan during 2016 / 2017, these include:

- \$2,430,651 from the WA Grants Commission
- \$1,416,197 from Main Roads and WA Regional Road Group
- \$ 928,923 from Federal Governments Roads to Recovery

The Shire of Dandaragan would like to thank all the agencies who have made grants or contributions towards projects in the 2016/2017 financial year.

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FINANCIAL RESULTS

The Shire of Dandaragan finished 2016/17 with a surplus of \$2,845,406. However, the majority of this surplus is as a result of large unspent grants and incomplete capital works projects. Therefore, this surplus does not constitute a surplus of funds after all requirements have been met in the true definition of a surplus, rather reflects outstanding commitments that will be reprogrammed into the 2017/2018 budget.

COMMUNITY EVENTS

The Shire hosts and supports many events across each of the towns. The Community Development team works with event organisers to ensure that they comply with statutory regulations so that events are kept incident free.

Well managed and appropriate events are instrumental in showcasing our towns to the wider West Australian community to encourage more visitors that help our towns grow and be economically viable.

The Community Development team continued to streamline the system for approving and issuing event permits and these changes are working well for both staff and event coordinators.

During 2016 / 2017 we were approached by a number of event coordinators - both local and visiting - interested in holding events in the Shire. Staff will continue to look for opportunities for events to be able to visit and build on each town's attractiveness to interested event coordinators.

During the course of the 2016 / 2017 financial year the Shire worked with groups hosting a range of events for its residents and tourists. The events were varied and catered to all age demographics in the community and recognised special milestones in the nation's history.

Anzac Day, and Remembrance Day are examples of nationally significant events that are held annually at memorials across towns in the Shire. Carols by Candlelight is a regular feature of the Christmas festivities in the Shire and attracts audiences from all across the spectrum. Country Arts WA provided a stage production touring WA annually and the Shire of Dandaragan was host to one of these performances. The Shire continues to promote Australia Day events in each of the towns and provides funding to the respective town communities to host these activities. The Shire also acknowledges new Australian Citizens at Citizenship ceremonies at the Shire Offices as the need arises. Citizen and Young Citizen of the year ceremonies are held each year to recognise those residents in our community that have provided outstanding service to their communities.

Annually the Shire of Dandaragan hosts the Jurien Bay Beach Mission and the Cervantes Family Festival which is targeted at engaging young people in healthy outdoor activities utilising the Shire's magnificent beaches. There are regular markets held on Sunday's across the year operated by the Lions Club of Jurien Bay and attract stallholders from within the Shire as well as from further afield. These markets have become a main attraction for locals and tourists alike.

A list of events and activities for the 2016/2017 year are listed below:

- The Lions Club Sunday Markets (8 to 10 each year)
- Australia Day Festivities across the four towns
- Citizen and Young Citizen of the Year Awards evening
- Indian Ocean Festival
- Aggies Christmas Pop Up Shop
- Carols in the Park across Dandaragan and Jurien Bay
- Spray the Grey Youth Festival
- Anzac Day Service
- Remembrance Day Service
- Vietnam Veterans Day Memorial Service

Corporate & Community Services

- Rocky Horror Picture Show Amphitheatre night
- Cervantes Art Festival Market Day
- Cervantes Show and Shine
- Wamplified
- Jurien Bay Dog's Breakfast
- Duyfken Visit to Jurien Bay
- Cervantes Windsurf Challenge
- CSBP Dandaragan Midsummer Ball
- Clontarf Year 12 Employment Leadership Camp & Team Challenge
- RAC Driver Reviver Pit Stop
- Cervantes Family Fest
- Jurien Bay Fishing Fest
- Variety Creative Car Cruise Display
- Bendigo Bank 10th Year Anniversary
- Wheatbelt Touring Circuit Tour 8
- Beachcombers Angling & Boating Club Camping event
- Toyota Land Cruiser Club 40th Birthday
- Family Fun Cricket Day
- Recfishwest SunSmart Fishing Clinic
- Jurien Bay Village Social Club Games Evening on the beach
- Nambung Country Music Muster
- Back to Cervantes
- Cervantes Winter Carnival

Throughout the year the Shire received a number of requests to hold weddings on local beaches from community members local and afar in which the Community Development team assisted in coordinating use of Shire land and resources. The Shire recognises the community building advantages of hosting such events and will continue to support the above activities and endeavour to attract more of these events in the future.

Special mention needs to be made of the Duyfken replica visit to Jurien Bay as part of a trip to celebrate the 400th anniversary of the landing of Dutch explorer Dirk Hartog on the Western Australia coast.

The Duyfken set sail from Fremantle in August 2016 where it travelled south to Bunbury before heading back north to berth at Mandurah, Jurien Bay, Dongara, Geraldton and Denham as part of these celebrations.

Local residents and visitors to Jurien Bay were able to tour the ship over the two days it was berthed at the Jurien Bay Marina and a special cocktail party was also hosted on the night of its arrival into the town.

Its last day was 'Pirates Day' which saw the Duyfken's crew and some visitors to the ship dressed in pirate attire.

On its departure from the Jurien Bay Marina the crew fired the main cannon signalling the end of its stop in Jurien Bay before she sailed away for Dongara.

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AGE FRIENDLY COMMUNITIES

Following on from the adoption of the Age Friendly Community Plan in April 2016, staff did a follow-up audit in early 2017, to determine areas of improvement and areas where more attention is required. This re-audit was a combination of work with the Shire's Age Friendly Communities Reference Group, and physically auditing the 'age friendliness' of every park, building, shopping precinct, etc, in the Shire. Using an audit tool, staff developed an Age Friendly Score which could be measured year to year to determine how we are faring for older residents across the Shire. From our original AF Score in 2015/16, where we scored 4.9/10, 2017 saw an improvement to 5.6/10, due to improvements across the domains in Health and community services; Outdoor spaces and buildings; Transport and movement; Housing; Social participation/respect and inclusion; and communication and information. The Age Friendly Reference Group, combined with the re-audit, indicated a slight decrease in satisfaction in the sport and recreation domain for older people.

The Shire partnered with Wheatbelt Development Commission and Shire of Gingin in the 'Creating Age-Friendly Communities in Small Towns: local transport solutions project. This was a 22 week trial of a coastal bus for seniors which ran from Jurien Bay to Joondalup. Despite good support from the community and high satisfaction of users, the service was not financially viable and Council were unable to continue beyond the trial period. Staff worked for many months this year investigating other potential models for coastal transport for older people, however it became evident that the financial pressure on Shire to provide such a service was not sustainable or affordable. Staff also investigated demand for a service running from the inland towns to the coast, however feedback from the Age Friendly Community Plan consultation highlighted that this kind of service would not be heavily utilised by older people. The Shire will continue to advocate for better transport solutions for seniors in the Shire.

DISABILITY BEACH ACCESS

Staff obtained feedback by way of a survey about the need for increased beach access for people with disability or mobility issues and the most appropriate location for improved access. After consultation with the public and the disability service providers and stakeholders, it was determined that trialling improved access in Jurien Bay is an appropriate first step before reassessing any need in Cervantes. The Shire are currently awaiting design options and will continue to update the community as this project continues.



The Duyfken Replica

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HERITAGE

During 2016 / 2017, the Shire worked with archaeologists to obtain a pedestrian survey of the North Head Radar Station site. Consultants provided a report to Council highlighting the historical significance, and the potential for development of such a site to protect it from further degradation. Short-term minor repairs were undertaken to stabilise bunker 'A' in late 2016, but management of the site into the future will be determined by further investigation of the site. This is an ongoing project and Shire will continue to update the community as this project continues.

COMMUNITY GROUPS

Community Development staff have continued to be proactive in working with sporting and community groups from around the Shire. Having an 'open-door' attitude so that members can approach staff with ideas for projects, events, and concerns has provided the opportunity for groups to focus on being passionate about their volunteering, whilst staff provide support behind the scenes. The Shire has worked with the community on ideas as broad as developing youth spaces, ideas for new events, improving accessibility for people with mobility issues, and creating art and cultural opportunities and we hope to be part of the continued development of those ideas.

YOUTH

There has been continued support from Council of the Leeuwin Ocean Adventure Scholarship Program which awards one full fare on a Leeuwin voyage to a young person in the Shire who is aged between 15-18 years of age. This year we were please to award the scholarship to a young man from Dandaragan who participated in the trip of lifetime in September 2017. The Shire also contributed financially to the Jurien Bay Youth Group, as well as provided donations for school awards to students around the Shire.



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The Spray the Grey Youth Festival continued as an annual youth event coordinated by the Community Development team, and the third festival - which was moved to Dobbyn Park - in April 2017 attracted a large number of the Shire's young people. We are continuing to grow this event and to work with young people to ensure that the festival is responsive to youth and community. This year saw a Colour Rave component which resulted in a colourful dance party to close off the

During the 2016/2017 year the Community Development Team worked with a consultant to undertake a survey of youth from across the Shire. There were one hundred and fifty five responses and the Youth Friendly Community Plan Development Report was presented to Council in April. The Community Development Team are putting together a Youth Plan based on the information contained in the Development Report.

SPORT AND RECREATION

The Associations Incorporation Act 2015 came into effect on 1 July 2016 which means that all clubs and associations across the State must review and update their Constitution and comply with additional governance requirements under the act. The Community Development Team have been assisting clubs and associations with this process to ensure that all are compliant by the final transition date of 1 July 2019.

We are continuing to work with the Sport and Recreation Clubs to build their capacity improve governance and sustainability.

SHIRE OF DANDARAGAN / TRONOX SMALL GRANTS PROGRAM

Policy 6.6 - Sport and Recreation Funding includes a provision for the Shire of Dandaragan and Tronox Sporting and Recreational Equipment and Small Grants Funding program.

The Shire of Dandaragan, in its annual budget, allocates \$15,000 to be matched by Tronox to fund the program. The purpose of the program is to assist community based organisations in the purchase of durable equipment and small grants to undertake improvements. The applications for funding this year were close to \$100,000 due to the work of the Community Development team promoting the grants to sporting and community groups. A total of \$43,401 worth of projects were funded, enabled by the carryover from previous years.

The following groups received funding from this program in 2016 / 2017:



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ORGANISATION	PROJECT DESCRIPTION	PROJECT COST (\$)	GRANT (\$)
Advance Dandaragan	Gym Flooring	1,917.60	958.70
Badgingarra Community Association	Cupboards/sink to bar area in function room of Badgingarra Community Centre	5,181.82	2,590.91
Canover Volunteer Bush Fire Brigade	Mobile Communication Booster and Fridge	1,900.00	950.00
Cervantes Bowling Club	Reticulation for synthetic green	9,000	4,500.00
Cervantes Community Recreation Centre	Bain Marie and Chair Trolley	629.90	314.95
Cervantes Cultural Committee	Signage (lecturn)	1,375.00	625.00
Cervantes Ratepayers & Progress Association	Shade cover (metal) over playground at Catalonia Park	15,000.00	7,500.00
Cervantes Volunteer Bush Fire Brigade	BBQ	799.00	399.50
Dandaragan Bowling Club	Perimeter seating around green	2,797.00	1,398.50
Dandaragan Golf Club	Concrete Shed Flor	8,030.00	4,000.00
Jurien Sport & Recreation Centre	PA System	27,522.00	13,761.00
Jurien Sport & Recreation Centre	Fridge	1,870.00	935.00
Lions Club of Jurien Bay	Gazebos	2,304.00	1,152.00
Saint John Ambulance Dandaragan	iPads	6,590.00	3,295.00
Turquoise Coast Netball Association	Courtside Shelters	13,000.00	6,500.00
TOTAL		\$100,214.02	\$48,880.56

Note: CR&PA project was not completed and \$7,500 was returned unspent

Policy 1.6 - Community Grants Program provides funds to community based organisations and individuals to support the promotion and development of social, economic, recreational, art and cultural benefits for the residents of the Shire of Dandaragan.

The policy contains two sections, firstly a recurring annual grant as follows:

1. Local publications

Each year the Shire will incorporate within the budget a grant to be provided in September of each year to the community newspapers. The grant of \$250 each is to cover the cost of community service announcements by the Shire in the various local publications. Advertising by the Shire is to be invoiced separately.

2. Student awards - schools

Each year the Shire will contribute \$100 to the Jurien Bay District High School, \$100 to the Central Midlands Senior High School, and \$50 each to the Dandaragan Primary School, Badgingarra Primary School, Jurien Bay Primary School and Cervantes Primary School award nights.

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3. Australia Day

Each year the Shire of Dandaragan will grant \$1,000 to the Jurien Bay Progress and Tourism Association, \$1,000 to the Cervantes Ratepayers & Progress Association, \$750 to the Badgingarra Community Association and \$750 to Advance Dandaragan for Australia Day festivities. This grant is to assist organisations with conducting an Australia Day event and is not intended to meet the total cost of the event. This year, the Cervantes Ratepayers & Progress Association were unable to coordinate their local event so the Cervantes Football Club were able to step in to ensure the event took place.

4. Leeuwin Sail Training Foundation

The Shire of Dandaragan will make an annual grant to the Leeuwin Sail Training Foundation to the value of one full fare in support of a local participant. This year the Shire was able to support one young man to take part in the voyage.

5. Art acquisition

The Shire of Dandaragan will contribute to the Cervantes Cultural Committee \$1,500 to secure the Shire of Dandaragan Art Acquisition Prize. The \$1,500 will be awarded to the chosen artist irrespective of the purchase value of the artwork. The prize will be determined by the Shire President or his delegate, who will seek guidance from the judges. In addition to the Acquisition Prize, the Shire of Dandaragan will donate \$1,500 towards the cost of delivering the Art Show. These funds will be spent at the discretion of the Cervantes Cultural Committee.

6. Mid-West Group of Affiliated Agricultural Societies Inc

Each year the Shire of Dandaragan will contribute to the Mid West Group of Affiliated Agricultural Societies Inc \$200 to showcase the Shire of Dandaragan's products and attractions.

The second section of the policy allows groups and individuals to make application for funding, with each application being assessed against the policy criteria. In 2016/2017 the following were funded from this policy:



Keep Australia Beautiful 2016 Tidy Towns Awards

Corporate & Community Services

ORGANISATION	PROJECT DESCRIPTION	GRANT
Advance Dandaragan	2 Events <ul style="list-style-type: none"> Dandaragan Community Carol Dandaragan Quiet Achievers Dinner 	800.00
Badgingarra Community Association	Wildflowers Photography Workshop	450.00
Badgingarra Community Association	Step into Badgy Stepping Stones Project	430.00
Cervantes Community Recreation Centre	Sport Workshops	300.00
Cervantes Cultural Committee	Art Workshop during Cervantes Market Day/Show and Shine	1,500.00
Cervantes Playgroup	Petting Zoo	926.55
Cervantes Primary School P&C	Indigenous Cultural Workshops	860.00
Cervantes Ratepayers and Progress Association	Mural Artist Fees for General Store Wall	1,500.00
Dandaragan Shire 4 Arts	Life drawing workshop and sketching workshop	1,200.00
Dandaragan Community Resource Centre	Workshop & Facilitator for Dandaragan Way Tourism Trail	1,500.00
Jurien Bay Community Men's Shed	Oktoberfest Promotions & Venue Hire	1,200.00
Jurien Bay Progress Association	Concept Plan, Feasibility Study and Land Survey for Jurien Bay Interpretive Complex	1,500.00
West Midlands Group	Presenter Fees and Travel costs, advertising and venue hire for Women Wellbeing and Wine event	1,500.00
TOTAL		\$13,666.55

Note: DCRC project was not completed and \$1,500 was returned unspent or completed and \$1,500 was returned unspent



Scott Clayton
EXECUTIVE MANAGER CORPORATE & COMMUNITY SERVICES

2016-17 Annual Report

COMPETITIVE NEUTRALITY 2016/17

National Competition Policy reforms require local governments to comply with and implement the principles of competitive neutrality and restructure monopolies (or near monopolies), subject to a public benefits assessment.

National Competition Policy is a framework for reform and is about promoting competition in business across Australia regardless of private or public ownership, size of business or ownership structure.

The key issues for local government are:

- Competitive neutrality - removal of any net benefits, which accrue to government business activities as a result of public ownership.
- Legislation review (Local Laws) - to review government regulation, which restricts competition.
- Structural reform - to reform the structure of government owned monopoly business where it is possible to introduce competition.

When conducting the competitive neutrality review, Council needed to ascertain the following in relation to services provided by the Shire:

- Is it a business?
- Is the annual income over \$200,000?

If the annual income is under the \$200,000 threshold, then Council is not required to implement competitive neutrality. At the present time, Council does not have any business units with an annual income over \$200,000, therefore, Council has not had to apply the competitive neutrality principle on National Competition Policy during the year under review.

National Competition Policy

2016/17

The Shire of Dandaragan had 35 Local Laws that may have restricted competition and hence were reviewed under National Competition Policy.

This process was completed in 2000 / 2001 with the gazettal of the following Local Laws on the 9 May 2001:

- Activities on thoroughfares and trading in thoroughfares and public places
- Beekeeping
- Local Government Property
- Standing Orders
- Extractive Industries
- Fencing
- Repeal Local Law 2001
- Pest Plants
- Bushfire Brigades
- Public Cemeteries
- Dogs Local Law

State Records Act 2000

2016/17

In compliance with the State Records Act 2000, the Shire of Dandaragan has a Record Keeping Plan. The amended Record Keeping Plan outlines the improvements made to the Shire's record keeping policies, as they relate to staff and Councillors.

The Plan has assisted the Shire to implement an efficient and effective electronic records management system, InfoXpert. This system has promoted ongoing improvements and continued compliance with the State Records Act 2000. Although the conversion to an electronic system was not easy, the benefits it provides far outweigh the initial difficulties. Each individual is now responsible for their own documents, in accordance with the State Records Act; records are everyone's responsibility.

2016-17 Audit Report



Perth Office

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INDEPENDENT AUDIT REPORT TO THE SHIRE OF DANDARAGAN

We have audited the accompanying financial report of the Shire of Dandaragan which comprises the statement of financial position as at 30 June 2017 and the statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity, statement of cash flows and rate setting statement for the year ended on that date, and a summary of significant accounting policies and other explanatory notes.

Statutory Compliance

During the course of our audit we become aware of the following matter which did not comply with the Local Government (Financial Management) Regulations 1996 (as amended) or the Local Government Act 1995.

Financial Management Review

As required under Part 2, Section 5 (2) (c) of the Local Government (Financial Management Regulations) 1996, the CEO must undertake a review of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 4 financial years) and report to the local government the results of the reviews. As at balance date a financial management review had not been presented to council.

Auditor's Opinion

In our opinion other than the matter noted above:

The financial report of the Shire of Dandaragan is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended) including:

- i) giving a true and fair view of the Shire's financial position as at 30 June 2017 and of their performance for the year ended on that date; and
- ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Shire in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Byfields Pty Ltd ACN 150 608 398

DIRECTORS: Andrew Northcott B.Com CPA • Craig Lane B.Com CPA • Dale Woodruff B.Bus CPA • Jon Bush B.Com CPA • Leanne Oliver B.Com CPA
Neil Hooper B.Com CPA • Simon Northey B.Bus CPA • Glenn Waldock B.Bus CPA • Roger Thomson B.Bus CA • Brant Jansen B.Bus CPA • Ryan Naughton B.Com CPA
ASSOCIATES: Ian Jones B.Com CPA • Lea Williams B.Com CA • Tony Umbrello B.Bus CA

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2016-17 Audit Report

Responsibilities of Council Members for the Financial Report

The Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended). This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In preparing the financial report, management is responsible for assessing the Shire's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Shire or to cease operations, or has no realistic alternative but to do so

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 Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance 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 judgment, 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 Shire's preparation and fair presentation of the financial report 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 Shire's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

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



LEANNE OLIVER RCA
Director
RCA 463021

BYFIELDS BUSINESS ADVISERS
BELMONT WA

Date: 23 November 2017

2016-17 Financial Report

Declaration

SHIRE OF DANDARAGAN

FINANCIAL REPORT

FOR THE YEAR ENDED 30th JUNE 2017

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the Shire of Dandaragan being the annual financial report and other information for the financial year ended 30th June 2017 are in my opinion properly drawn up to present fairly the financial position of the Shire of Dandaragan at 30th June 2017 and the results of the operations for the financial year then ended in accordance with the Australian Accounting Standards (except to the extent that these have been varied in the Statement of Accounting Policies required by Australian Accounting Standards AAS6 "Accounting Policies" and the accompanying notes to the annual financial report) and comply with the provisions of the Local Government Act 1995 and regulations under that Act.

Signed as authorisation of issue on the 21st day of November 2017.



Tony Nottle
CHIEF EXECUTIVE OFFICER

2016-17 Financial Report

Statement of Comprehensive Income by Nature and Type

SHIRE OF DANDARAGAN
STATEMENT OF COMPREHENSIVE INCOME by Nature or Type
for the year ending 30 June 2017

Description	Notes	Actual 2016/2017	Budget 2016/2017	Actual 2015/2016
Revenue from Ordinary Activities				
Rates	19a	5,902,205	5,884,374	5,549,577
Operating Grants and Subsidies	24	2,755,587	1,871,072	1,143,498
Contributions Reimbursements Donations		308,377	247,876	658,396
Fees and Charges	23	2,030,968	2,013,780	1,928,134
Interest Earnings	2a	153,158	128,500	257,179
Other Revenue		103,316	87,599	102,515
		11,253,610	10,233,201	9,639,298
Expenses from Ordinary Activities				
Employee Costs		(3,620,644)	(3,734,405)	(3,444,566)
Materials and Contracts		(2,588,755)	(2,800,450)	(2,566,930)
Utilities		(450,665)	(557,967)	(472,362)
Insurance		(400,501)	(379,775)	(384,601)
Other Expenses		(699,615)	(738,869)	(606,958)
Depreciation	2a	(6,052,865)	(5,711,376)	(5,677,356)
		(13,813,045)	(13,922,842)	(13,152,772)
		(2,559,435)	(3,689,641)	(3,513,474)
Borrowing Costs Expense	2a	(35,089)	(37,248)	(46,070)
Non-Operating Grants & Subsidies	24	3,955,271	3,522,092	3,598,932
Profit / (Loss) on Asset Disposal	17	(33,859)	(106,776)	(116,653)
NET RESULT		1,326,888	(311,573)	(77,264)
Other Comprehensive Income				
Changes on revaluation of non-current assets	26	1,314,828	(0)	60,722
		1,314,828	(0)	60,722
TOTAL COMPREHENSIVE INCOME		2,641,716	(311,573)	(16,542)

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

2016-17 Financial Report

Statement of Comprehensive Income by Department

SHIRE OF DANDARAGAN
STATEMENT OF COMPREHENSIVE INCOME by Department
for the year ending 30 June 2017

Description	Actual 2016/2017	Budget 2016/2017	Actual 2015/2016
Revenues from Ordinary Activities	2a		
Governance	38,448	32,375	43,516
General Purpose Funding	8,390,910	7,503,253	6,504,561
Law, Order, Public Safety	495,435	474,103	484,611
Health	18,985	9,658	16,511
Education & Welfare	(0)	(0)	(0)
Community Amenities	1,216,814	1,161,330	1,168,111
Recreation and Culture	473,500	439,810	556,941
Transport	251,995	224,815	464,111
Economic Services	272,754	184,613	224,111
Other Property and Services	94,769	203,244	176,511
	11,253,610	10,233,201	9,639,211
Expenses from Ordinary Activities	2a		
Governance	(702,384)	(632,883)	(761,121)
General Purpose Funding	(154,751)	(180,643)	(180,831)
Law, Order, Public Safety	(1,119,684)	(1,090,967)	(1,077,631)
Health	(340,253)	(377,867)	(317,861)
Education & Welfare	(0)	(5,000)	(16,401)
Community Amenities	(2,243,437)	(2,261,637)	(2,059,841)
Recreation and Culture	(3,103,561)	(3,118,513)	(2,782,771)
Transport	(5,203,133)	(5,335,032)	(4,920,941)
Economic Services	(637,855)	(750,114)	(543,281)
Other Property and Services	(307,986)	(170,186)	(492,061)
	(13,813,045)	(13,922,842)	(13,152,771)
	(2,559,435)	(3,689,641)	(3,513,471)
Borrowing Costs Expense	2a		
Governance	(26,530)	(21,355)	(16,861)
General Purpose Funding	(0)	(0)	(0)
Law, Order, Public Safety	(0)	(0)	(0)
Health	(0)	(0)	(0)
Education & Welfare	(0)	(0)	(0)
Community Amenities	(0)	(0)	(0)
Recreation and Culture	(7,852)	(15,248)	(28,491)
Transport	(0)	(0)	(0)
Economic Services	(0)	(0)	(0)
Other Property and Services	(708)	(644)	(711)
	(35,089)	(37,248)	(46,071)
Grants and Subsidies Non-Operating			
Governance	(0)	(0)	(0)
General Purpose Funding	(0)	(0)	(0)
Law, Order, Public Safety	149,737	30,127	(0)
Health	(0)	(0)	(0)
Education & Welfare	(0)	(0)	(0)
Community Amenities	765,614	783,509	(0)
Recreation and Culture	729,144	387,198	225,001
Transport	2,310,776	2,321,258	3,373,911
Economic Services	(0)	(0)	(0)
Other Property and Services	(0)	(0)	(0)
	3,955,271	3,522,092	3,598,911
Profit / Loss on Asset Disposal	17		
Governance	(0)	(10,976)	(8,431)
General Purpose Funding	(0)	(0)	(0)
Law, Order, Public Safety	(16,565)	(0)	(0)
Health	(0)	(0)	(4,281)
Education & Welfare	(0)	(0)	(0)
Community Amenities	(0)	(0)	(4,531)
Recreation and Culture	(0)	(0)	(0)
Transport	(1,798)	(71,464)	(121,271)
Economic Services	(0)	(0)	(3,781)
Other Property and Services	(15,496)	(24,336)	25,611
	(33,859)	(106,776)	(116,651)
NET RESULT	1,326,888	(311,573)	(77,261)
Other Comprehensive Income			
Changes on revaluation of non-current assets	26	1,314,828	(0)
	1,314,828	(0)	60,711
TOTAL COMPREHENSIVE INCOME	2,641,716	(311,573)	(16,541)

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

2016-17 Financial Report

Statement of Financial Position

SHIRE OF DANDARAGAN
STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

Description	Notes	2017	2016
CURRENT ASSETS			
Cash and cash equivalents	3	7,216,558	8,843,273
Trade and other receivables	4	986,066	508,582
Inventories	5	24,690	25,563
TOTAL CURRENT ASSETS		8,227,314	9,377,418
NON-CURRENT ASSETS			
Land	6	3,060,000	2,628,000
Buildings and improvements	6	31,016,300	31,114,264
Furniture and equipment	6	917,743	991,650
Plant and equipment	6	4,460,872	4,457,675
Infrastructure	7	210,715,353	207,380,000
Trade & other receivables	4	198,552	282,001
TOTAL NON-CURRENT ASSETS		250,368,821	246,853,590
TOTAL ASSETS		258,596,134	256,231,008
CURRENT LIABILITIES			
Trade and other payables	8	(520,683)	(581,213)
Provisions	10	(526,245)	(524,151)
Current portion of long term borrowings	9	(108,362)	(213,028)
TOTAL CURRENT LIABILITIES		(1,155,289)	(1,318,392)
NON-CURRENT LIABILITIES			
Provisions	10	(76,862)	(82,086)
Long term borrowings	9	(416,933)	(525,195)
TOTAL NON-CURRENT LIABILITIES		(493,795)	(607,281)
TOTAL LIABILITIES		(1,649,084)	(1,925,673)
TOTAL NET ASSETS		256,947,050	254,305,335
EQUITY			
Reserves - cash backed	11	(4,945,538)	(6,596,882)
Revaluation surplus	26	(43,367,167)	(42,052,339)
Retained earnings		(208,634,345)	(205,656,113)
TOTAL EQUITY		256,947,050	254,305,335

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

2016-17 Financial Report

Statement of Changes in Equity

SHIRE OF DANDARAGAN STATEMENT OF CHANGES IN EQUITY

	NOTE	RETAINED SURPLUS \$	RESERVES CASH BACKED \$	REVALUATION SURPLUS \$	TOTAL EQUITY \$
Balance as at 30 June 2015		201,762,143	10,568,117	41,991,617	254,321,877
Changes in Accounting Policy		0	0	0	0
Correction of Errors		0	0	0	0
<hr/>					
Restated Balance		201,762,143	10,568,117	41,991,617	254,321,877
Comprehensive Income					
Net Result		(77,264)	0	0	(77,264)
Changes on Revaluation of Non-Current Assets	26	0	0	60,722	60,722
Total Comprehensive Income		(77,264)	0	60,722	(16,542)
Reserve Transfers		3,971,235	(3,971,235)	0	0
<hr/>					
Balance as at 30 June 2016		205,656,113	6,596,882	42,052,339	254,305,335
Comprehensive Income					
Net Result		1,326,888	0	0	1,326,888
Changes on Revaluation of Non-Current Assets	26	0	0	1,314,828	1,314,828
Total Other Comprehensive Income		1,326,888	0	1,314,828	2,641,716
Reserve Transfers		1,651,344	(1,651,344)	0	0
<hr/>					
Balance as at 30 June 2017		208,634,345	4,945,538	43,367,167	256,947,050

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

2016-17 Financial Report

Statement of Cash Flows

SHIRE OF DANDARAGAN
STATEMENT OF CASH FLOWS
for the year ending 30 June 2017

	Note	Actual 2016/2017	Budget 2016/2017	Actual 2015/2016
Cash Flows from Operating Activities				
Receipts				
Rates		5,892,783	5,961,674	5,486,323
Operating Grants, Subsidies & Contributions		3,063,963	2,118,948	1,801,894
Service Charges		0	0	0
Fees and Charges		1,502,795	2,060,653	2,591,684
Interest Earnings		153,158	128,500	257,179
Goods and Services Tax		857,849	0	630,274
Other Revenue		103,316	87,599	102,515
		11,573,864	10,357,374	10,869,871
Payments				
Employee Costs		(3,608,395)	(3,734,405)	(3,415,163)
Materials and Contracts		(2,631,297)	(3,099,450)	(2,965,787)
Utilities		(450,665)	(557,967)	(472,362)
Insurance		(400,501)	(379,775)	(384,601)
Interest Expenses		(37,248)	(37,248)	(47,836)
Goods and Services Tax		(795,476)	0	(580,121)
Other Expenses		(699,615)	(738,869)	(606,958)
		(8,623,198)	(8,547,714)	(8,472,828)
Net Cash provided by Operating Activities	12b	2,950,666	1,809,660	2,397,043
Cash Flows from Investing Activities				
Payment for Property, Plant and Equipment		(1,367,060)	(2,118,389)	(1,379,595)
Payments for Construction of Infrastructure		(7,153,753)	(6,904,684)	(9,581,487)
Grants/Contributions for Assets		3,955,271	3,522,092	3,598,932
Proceeds from Sale of assets	17	150,237	110,000	373,570
Net Cash Used in Investing Activities		(4,415,305)	(5,390,981)	(6,988,580)
Cash Flows from Financing Activities				
Repayment of Debentures	18a	(212,928)	(212,928)	(199,096)
Proceeds from Self-Supporting Loans		50,851	48,989	(9,019)
Payment to Community Groups (self supporting loans)		0	0	0
Proceeds from New Debentures		0	0	30,000
Net Cash Provided by (Used in) Financing Activities		(162,077)	(163,939)	(178,115)
Net Increase (Decrease) in Cash Held		(1,626,715)	(3,745,260)	(4,769,652)
Cash at Beginning of Year		8,843,273	8,843,273	13,612,925
Cash at End of Year	12a	7,216,558	5,098,013	8,843,273

2016-17 Financial Report

Rate Setting Statement

SHIRE OF DANDARAGAN
RATE SETTING STATEMENT by Department
for the year ending 30 June 2017

Description	Notes	Actual 2016/2017	Budget 2016/2017	Actual 2015/2016
Net current assets at start of financial year - surplus/deficit	19b	2,250,891	2,283,523	3,722,611
Revenue from operating activities (excluding rates)				
Governance		38,448	32,375	43,511
General Purpose Funding		2,617,927	1,746,624	1,083,000
Law, Order and Public Safety		495,435	474,103	484,611
Health		18,985	9,658	16,511
Education & Welfare		0	0	
Community Amenities		1,216,814	1,161,330	1,168,111
Recreation and Culture		473,500	439,810	556,511
Transport		285,178	230,851	464,111
Economic Services		272,754	184,613	224,111
Other Property and Services		94,769	203,244	202,211
		5,513,811	4,482,609	4,243,311
Expenditure from operating activities				
Governance		(728,914)	(665,214)	(786,411)
General Purpose Funding		(154,751)	(180,643)	(180,811)
Law, Order and Public Safety		(1,136,249)	(1,090,967)	(1,077,611)
Health		(340,253)	(377,867)	(322,111)
Education & Welfare		0	(5,000)	(16,411)
Community Amenities		(2,243,437)	(2,261,637)	(2,064,311)
Recreation and Culture		(3,111,412)	(3,133,761)	(2,811,211)
Transport		(5,238,115)	(5,412,532)	(5,042,211)
Economic Services		(637,855)	(750,114)	(547,011)
Other Property and Services		(324,189)	(195,167)	(492,711)
		(13,915,177)	(14,072,902)	(13,341,111)
Operating activities excluded from budget				
(Profit)/Loss on Asset Disposals	17	33,859	106,776	116,611
Movement in Accrued Interest		(2,159)	0	(1,711)
Movement in Accrued Salaries and Wages		15,379	0	22,511
Movement in Employee Provisions		(3,131)	0	6,411
Movement in Deferred Rates		32,598	0	(6,711)
Movement in Accrued Expenses		19,525	0	(415,011)
Loss on fair value of asset through profit & loss		0	0	
Depreciation on Assets	2a	6,052,865	5,711,376	5,677,311
		6,148,937	5,818,152	5,399,811
Investing Activities				
Non-operating grants, subsidies and contributions		3,955,271	3,522,092	3,598,511
Proceeds from disposal of assets	17	150,237	110,000	373,511
Purchase Land and Buildings		(327,912)	(1,095,449)	(367,811)
Purchase Furniture and Equipment		(55,270)	(63,300)	(2,411)
Purchase Plant and Equipment		(983,878)	(959,640)	(1,009,211)
Purchase Infrastructure Assets - Roads		(4,287,456)	(4,459,189)	(4,360,711)
Purchase Infrastructure Assets - Parks & Reserves		(1,461,846)	(1,073,694)	(356,611)
Purchase Infrastructure Assets - Other		(1,404,451)	(1,371,801)	(4,864,011)
		(4,415,305)	(5,390,982)	(6,988,511)
Financing Activities				
Proceeds from Debentures (New)	18	0	0	30,011
Repayment of Debentures	18	(212,928)	(212,928)	(199,011)
Payment of Self Supporting Loan to Community Group		0	0	(50,711)
Self-Supporting Loan Principal Income		50,851	48,989	41,711
Transfer to Reserves	11	(463,113)	(318,132)	(853,711)
Transfer from Reserves	11	2,114,457	1,589,437	4,824,511
		1,489,267	1,107,366	3,793,111
Surplus (deficiency) before general rates		(2,927,576)	(5,772,234)	(3,170,611)
Total amount raised from general rates		5,772,982	5,756,629	5,421,511
Net current assets at June 30 c/fwd. - surplus/(deficit)		2,845,406	(15,605)	2,250,891

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

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 1 – Significant Accounting Policies

The significant policies, which have been adopted in the preparation of this financial report, are:

(a) Basis of Accounting

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities), other mandatory professional reporting requirements and the Local Government Act 1995 and accompanying regulations. The reports have been prepared on the accrual basis under the convention of historical cost accounting modified, where applicable, by measurement at fair value of selected non-current assets, financial assets and liabilities.

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

Critical Accounting Estimates

The preparation of a financial report in conformity with Australian Accounting Standards require 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 judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this 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 Funds are excluded from the financial statements. A separate statement of those monies appears at Note 16 to these financial statements.

(c) Goods and Services Tax

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.

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Notes to and forming part of the Financial Report for the year ended 30 June 2017

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.

(d) **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.

(e) **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.

(f) **Inventories**

Inventories are valued 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.

(g) **Fixed Assets**

Mandatory Requirement to Revalue Non-Current Assets

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

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

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

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

(i) that are plant and equipment; and

(ii) that are –

(I) land and buildings; or

(II) infrastructure;

and

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

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

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

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

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Notes to and forming part of the Financial Report for the year ended 30 June 2017

Initial Recognition and Measurement between Mandatory Revaluation Dates

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

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

Individual assets acquired between initial recognition and the next revaluation of the asset class in accordance with the mandatory measurement framework detailed above, are carried at cost less accumulated depreciation as management believes this approximates fair value. They will be subject to subsequent revaluation 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 this treatment is inconsistent with the requirements of AASB 1051, Local Government (Financial Management) Regulation 4(2) provides, in the event of such an inconsistency, the Local Government (Financial Management) Regulations prevail.

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

(h) Depreciation of Non-Current Assets

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:

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- 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.

Buildings	25 to 50 years
Furniture and Equipment	5 to 20 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
formation	not depreciated
pavement	30 years
seal	30 years
Gravel roads	
formation	not depreciated
pavement	30 years
gravel sheet	15 years
pavement	50 years
Foot paths - slab	20 years
Sewerage piping	100 years
Water supply	75 years
piping & drainage	
systems	
Footpaths	50 years
Infrastructure Parks & Reserves	10 to 50 years
Infrastructure Other	10 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. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained surplus.

Capitalisation Threshold

Expenditure on items of equipment under \$2,000 is not capitalised. Rather, it is recorded on an asset inventory listing.

Fair Value of Assets and Liabilities

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

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

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

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

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

Fair Value Hierarchy

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

Level 1

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

Level 2

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

Level 3

Measurements based on unobservable inputs for the asset or liability.

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

Valuation techniques

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

Market approach

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

Income approach

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

Cost approach

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

Valuation techniques

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Council gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions

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that buyers and sellers would generally use when pricing the asset or liability and considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

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

(i) Investments and Other Financial Assets

Classification

Council classifies its investments in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

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

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. 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. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity. If Council were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

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 Council no longer has any significant continual involvement in the risks and benefits associated with the asset.

Financial liabilities are derecognised where the related obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of the

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consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Subsequent measurement

Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit and loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the income statement within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of revenue from continuing operations when Council's right to receive payments is established. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Impairment

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

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

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

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

(k) Impairment

In accordance with Australian Accounting Standards the Shire'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 estimate of the recoverable amount of the asset is made in accordance with AASB 136 'Impairment of Assets' and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

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.

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Notes to and forming part of the Financial Report for the year ended 30 June 2017

(l) Trade and Other Payables

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Shire prior to the end of the financial year that are unpaid and arise when the Shire becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(m) Employee Benefits

The provisions for employee entitlements relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

- (i) **Wages, Salaries and Annual and Long Service Leave (Short-term benefits)**
The provision for employee entitlements to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount that the municipality has a present obligation to pay resulting from employees' services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.
- (ii) **Long Service Leave (Long-term benefits)**
The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match as closely as possible, the estimated future cash outflows. Where Council does not have the unconditional right to defer settlement beyond 12 months, the liability is recognised as a current liability.

(n) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing costs are recognised as an expense when incurred and adjusted for accrued interest at balance day.

(o) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in

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settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(p) Leases

Lease payments under 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

(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 operation for the current reporting period.

(r) Superannuation

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

(s) Rounding Off Figures

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

(t) Comparative Figures

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

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

(u) Current and Non-Current Classification

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

(v) Budget Comparative Figures

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Notes to and forming part of the Financial Report for the year ended 30 June 2017

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.

(w) Intangible Assets

Easements

Due to legislative changes, Easements are required to be recognised as assets.

They are initially recognised at cost and have an indefinite useful life.

It has been deemed that all easement in the control of the Council have a NIL value.

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Notes to and forming part of the Financial Report for the year ended 30 June 2017

(x) 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 Council.

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

Title	Issued / Completed	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 Shire, it is not anticipated the Standard will have any material effect.
(ii) AASB 15 Revenue from Contracts with Customers	December 2014	1 January 2019	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 Shire 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 Shire, the impact is not expected to be significant.

Notes:

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

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Notes to and forming part of the Financial Report for the year ended 30 June 2017

New Accounting Standards and Interpretations for Application in Future Periods (Continued)			
Title	Issued / Compiled	Applicable ⁽¹⁾	Impact
(iv) AASB 1058 Income of Not-for-Profit Entities (incorporating AASB 2016-7 and AASB 2016-8)	December 2016	1 January 2019	<p>These standards are likely to have a significant impact on the income recognition for NFP's. Key areas for consideration are:</p> <ul style="list-style-type: none"> - Assets received below fair value; - Transfers received to acquire or construct non-financial assets; - Grants received; - Prepaid rates; - Leases entered into at below market rates; and - Volunteer services. <p>Whilst it is not possible to quantify the financial impact (or if it is material) of these key areas until the details of future transactions are known, they will all have application to the Shire's operations.</p>
<p>Notes:</p> <p>⁽¹⁾ Applicable to reporting periods commencing on or after the given date.</p>			
<p>Adoption of New and Revised Accounting Standards</p>			
<p>During the current year, the Shire adopted all of the new and revised Australian Accounting Standards and Interpretations which were compiled, became mandatory and which were applicable to its operations.</p>			
<p>Whilst many reflected consequential changes associate with the amendment of existing standards, the only new standard with material application is as follows:</p>			
(i) AASB 2015-6 Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities			<p>The objective of this Standard was to extend the scope of AASB 124 <i>Related Party Disclosures</i> to include not-for-profit sector entities.</p> <p>The Standard has had a significant disclosure impact on the financial report of the Shire as both Elected Members and Senior Management are deemed to be Key Management Personnel and resultant disclosures in accordance to AASB 124 have been necessary.</p>

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Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 2

2. OPERATING REVENUES AND EXPENSES

(a) Result from Ordinary Activities

The result from ordinary activities includes:

(i) Charging as an Expense:

	Actual 2016/2017	Actual 2015/2016	
Depreciation			
By Program			
Governance	161,343	164,381	
Law Order and Public Safety	213,115	176,715	
Health	20,088	24,612	
Community Amenities	444,184	446,560	
Recreation and Culture	967,091	908,665	
Transport	3,366,723	3,329,330	
Economic Services	57,684	57,930	
Other Property and Services	822,637	569,163	
	6,052,865	5,677,356	
By Class			
Land and Buildings	1,133,903	1,131,312	
Plant and Equipment	796,585	516,540	
Furniture and Equipment	129,177	105,034	
Infrastructure - Roads	2,916,168	2,862,999	
Infrastructure - Parks and Reserves	143,582	143,431	
Infrastructure - Other	933,450	918,040	
	6,052,865	5,677,356	
Auditors Remuneration			
- Audit	19,090	19,580	
Interest Expenses			
Accrued Interest Adjustment	(2,159)	(1,766)	
Debentures (<i>refer Note 19(a)</i>)	37,248	47,836	
	35,089	46,070	
Rental Charges			
- Operating Leases	42,039	44,784	
(ii) Crediting as Revenue:	Actual 2016/2017	Budget 2016/2017	Actual 2015/2016
Interest Earnings			
Investments			
- Reserve Funds	98,981	60,000	195,482
- Other Funds	3,716	25,000	19,817
Other Interest Revenue (<i>refer note 22</i>)	50,461	43,500	41,880
	153,158	128,500	257,179

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Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 2 (cont)

(b) Statement of Objectives

The Shire of Dandaragan is dedicated to providing high quality services to the community through the various service orientated programmes which it has established:-

General Purpose Funding (Schedule 3)

Rate revenue and expenses (excluding Specified Area Rate income), amounts received from Government bodies of a general purpose nature and amounts receivable in respect of interest on deferred pensioner rates. Interest received from investments. It also includes Valuation and Legal Expenses.

Governance (Schedule 4)

Members' Costs incurred in carrying out Council's functions.

Law, Order, Public Safety (Schedule 5)

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

Health (Schedule 7)

Health administration and inspection, maintenance of doctor's surgery, residence and other health and preventative services.

Community Amenities (Schedule 10)

Rubbish collection services, rubbish tip maintenance, effluent disposal, townsite stormwater drainage control, maintenance and protection of environment, tourism, television rebroadcasting facilities, administration of Town Planning Scheme, operations of Community Development Officer and maintenance of cemeteries.

Recreation and Culture (Schedule 11)

Maintenance of halls and community centres, maintenance of beaches and foreshore amenities, maintenance of parks, gardens and reserves, and library services.

Transport (Schedule 12)

Construction and maintenance of roads, footpaths, depots, traffic signs, street trees, street lighting and airfields.

Economic Services (Schedule 13)

Pest & Vermin Control Services and administration of Building Control.

Other Property and Services (Schedule 14)

Private works, plant operation costs, overhead costs, salaries and wages.

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Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 2 (cont)

2. OPERATING REVENUES AND EXPENSES (c) Conditions over Grants / Contributions

Grant/Contribution	Function/Activity	Opening Balance ⁽¹⁾ 1 July 2015	Received ⁽²⁾ 2015/2016	Expended ⁽³⁾ 2015/2016	Closing Balance 30 June 2016	Received ⁽²⁾ 2016/2017	Expended ⁽³⁾ 2016/2017	Closing Balance 30 June 2017
R4R Foreshore	Other Recreation & Culture	373,717		91,984	281,733		281,733	0
	Other Law Order & Public							
Jurien CCTV	Safety	25,000		25,000	-			-
Roads to Recovery	Transport	322,731	1,149,142	1,471,873	-			-
Local Roads State Initiative	Transport	763,626	2,000,000	1,594,499	1,169,127		1,169,127	0
Aged Friendly Communities								
strategic Plan	Education & Welfare	10,000		10,000	-			-
Community Crime Prevention								
Fund	Other Recreation & Culture	6,500		6,500	-			-
Aged Friendly Communities								
Small Value Grant	Transport	51,000		51,000	-			-
Cervantes Community Centre -								
Cervantes Community	Public Halls and Civic Centres	-			-	44,091		44,091
Contribution	Public Halls and Civic Centres	-			-	333,803		333,803
Cervantes Community Centre -								
Dept. Culture & Arts								
R4R 2012/13 Individual								
Component	Recreation and Culture	197,813		20,969	176,844		149,264	27,580
Total		1,750,388	3,149,142	3,271,825	1,627,705	377,894	1,600,124	405,474

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Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 3

	Actual 2016/2017	Actual 2015/2016
3. CASH AND CASH EQUIVALENTS		
Unrestricted	2,271,019	2,246,391
Restricted	4,945,538	6,596,882
	7,216,558	8,843,273
The following restrictions have been imposed by regulations or other externally imposed requirements :		
Plant Replacement Reserve	255,104	576,353
Building Reserve	1,028,467	862,589
Rubbish Reserve	363,429	357,962
Community Centre reserve	385,210	373,498
Television Reserve	93,653	92,244
Computer Reserve	54,640	53,818
Caravan Parks Reserve	379,672	398,522
Land Development Reserve	67,715	66,697
Parking Requirements Reserve	10,930	10,765
Parks and Recreational Grounds Development Reserve	360,601	355,176
Sport and Recreation Reserve	235,708	182,854
Admin Office Extension Reserve	426	426
Landscaping Reserve	2,536	2,499
Jetty Reserve	0	276,558
Aerodrome Reserve	73,330	79,692
Jurien Bay City Centre Enhancement Project (Supertowns) Reserve	0	494,397
Staff Attraction & Incentive Reserve	200,814	197,822
Public Open Space Renewal Reserve	417,120	739,715
Infrastructure Renewal Reserve	569,281	1,056,110
Public Open Space Construction Reserve	85,554	84,279
Infrastructure Construction Reserve	0	0
Building Construction Reserve	111,346	109,687
Leave Reserve	250,002	203,419
Sewer Stage 1B Reserve	0	21,798
Economic Development Initiatives Reserve	0	0
Total Reserve	4,945,538	6,596,882

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Shire of Dandaragan
Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 4

	2017	2016
4. TRADE AND OTHER RECEIVABLES	\$	\$
Current		
Rates Outstanding	286,721	244,702
Sundry Debtors	675,046	146,873
GST Receivable	24,298	117,007
	<u>986,066</u>	<u>508,582</u>
Non-Current		
Rates Outstanding - Pensioners	0	32,598
Loans - Clubs/Institutions	198,552	247,541
Bonds and Deposits	0	1,862
	<u>198,552</u>	<u>282,001</u>
Information with respect to the impairment or otherwise of the total of rates outstanding and sundry debtor is as follows;		
Rates Outstanding		
Includes:	<u>286,721</u>	<u>244,702</u>
Past due and not impaired	285,732	244,359
Impaired	<u>0</u>	<u>0</u>
Sundry Debtors	<u>675,046</u>	<u>146,873</u>
Includes:		
Past due and not impaired	396,224	39,950
Impaired	<u>0</u>	<u>0</u>
5. INVENTORIES		
Current		
Fuel and Materials	<u>24,690</u>	<u>25,563</u>
	<u>24,690</u>	<u>25,563</u>

Note 5

5. INVENTORIES		
Current		
Fuel and Materials	<u>24,690</u>	<u>25,563</u>
	<u>24,690</u>	<u>25,563</u>

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 6

6. PROPERTY, PLANT AND EQUIPMENT	2017 \$	2016 \$
Land and Buildings - Independent Valuation 2017	57,903,800	0
Land and Buildings - Independent Valuation 2014	0	31,574,502
Additions after Valuation - cost	0	4,244,294
Less Accumulated Depreciation	<u>(23,827,500)</u>	<u>(2,076,532)</u>
	34,076,300	33,742,264
Furniture and Equipment - Independent Valuation 2016	991,650	991,650
Additions after Valuation - cost	55,270	0
Less Accumulated Depreciation	<u>(129,177)</u>	<u>0</u>
	917,743	991,650
Plant and Equipment - Independent Valuation 2016	4,386,050	4,386,050
Additions after Valuation - cost	815,683	71,805
Less Accumulated Depreciation	<u>(740,861)</u>	<u>(180)</u>
	4,460,872	4,457,675
Depreciated Cost of PP&E at fair value	<u>39,454,916</u>	<u>39,191,589</u>
Current Replacement cost of Depreciated PP&E at fair value less Land	64,152,454 <u>(3,060,000)</u>	41,268,301 <u>(2,643,000)</u>
Current Replacement cost of Depreciated PP&E at fair value less land	61,092,454	38,625,301
less Accumulated Depreciation	<u>(24,697,538)</u>	<u>(2,076,712)</u>
Depreciate Cost of PP&E at fair value (less land)	36,394,916	36,548,589
Land	<u>3,060,000</u>	<u>2,643,000</u>
Depreciated Cost of PP&E at fair value	<u>39,454,916</u>	<u>39,191,589</u>

Land & Buildings

The Shire's land and buildings were revalued at 30 June 2017 by independent valuers.

In relation to land and non-specialised buildings, valuations were made on the basis of observable open market values of similar assets, adjusted for condition and comparability, at their highest and best use (Level 2 inputs in the fair value hierarchy).

With regard to specialised buildings, these were valued having regard for their current replacement cost utilising both observable and unobservable inputs being construction costs based on recent contract prices, current condition (Level 2 inputs), residual values and remaining useful life assessments (Level 3 inputs).

Given the significance of the Level 3 inputs into the overall fair value measurement, these specialised building assets are deemed to have been valued using Level 3 inputs.

These 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.

The revaluation of these assets resulted in an overall increase of \$1,314,828 in the net value of the Shire's land and buildings. All of this increase was credited to the revaluation surplus in the Shire's equity and was recognised as Changes on Revaluation of non-current Assets in the Statement of Comprehensive Income.

Furniture and Equipment & Plant and Equipment

Both furniture and equipment and plant and equipment were revalued in 2016 as part of the mandatory requirements embodied in Local Government (Financial Management) Regulation 17A.

Whilst the additions since that time are shown at 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.

Thus, the value is considered in accordance with Local Government (Financial Management (Regulation) 17A (2) which requires these assets to be shown at fair value. They will be revalued during the year ended 30 June 2019 in accordance with the mandatory asset measurement framework detailed at Note 1.

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 6 (cont)

6. PROPERTY, PLANT AND EQUIPMENT (Continued)

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)	Impairment (Losses)/ Reversals	Reclassification	Depreciation (Expense)	Carrying Amount at the End of Year
	\$	\$	\$	\$	\$	\$	\$	\$
Freehold Land (Level 2)	2,628,000	0	0	395,000	0	0	0	3,023,000
Land Vested In and Under the Control of Council (Level 3)	0	0	0	37,000	0	0	0	37,000
Total Land	2,628,000	0	0	432,000	0	0	0	3,060,000
Non-Specialised Buildings (Level 2)	1,189,920	0	0	28,192	0	0	(68,112)	1,150,000
Specialised Buildings (Level 3)	29,924,344	327,912	0	854,636	0	(174,800)	(1,065,791)	29,866,301
Total Buildings	31,114,264	327,912	0	882,828	0	(174,800)	(1,133,903)	31,016,301
Total Land and Buildings	33,742,264	327,912	0	1,314,828	0	(174,800)	(1,133,903)	34,076,301
Furniture and Equipment (Level 3)	991,650	55,270	0	0	0	0	(129,177)	917,743
Plant and Equipment (Level 2)	3,406,375	737,140	(151,428)	0	0	0	(631,859)	3,360,228
Plant and Equipment (Level 3)	1,051,300	246,738	(32,668)	0	0	0	(164,726)	1,100,644
Total Property, Plant and Equipment	39,191,589	1,367,060	(184,096)	1,314,828	0	(174,800)	(2,059,665)	39,454,916

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Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 6 (cont)

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 and Buildings					
Freehold Land	2	Observable open market values of similar assets, adjusted for condition and comparability, at their highest and best use	Independent valuation	June 2017	Price per hectare / market borrowing rate
Non - Specialised Buildings	2	Observable open market values of similar assets, adjusted for condition and comparability, at their highest and best use	Independent valuation	June 2017	Improvements to land using construction costs and current condition
Specialised Buildings	3	Improvements to land valued using cost approach using depreciated replacement cost	Independent valuation	June 2017	Improvements to land using construction costs and current condition (Level 2), residual and remaining useful life assessment (Level 3)
Furniture and Equipment	3	Cost approach using depreciated replacement cost	Independent valuation	June 2016	Purchase costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Plant and Equipment					
Plant and Equipment	2	Market approach using recent observable market data for similar item	Independent valuation	June 2016	Market price per item
Plant and Equipment	3	Cost approach using depreciated replacement cost	Independent valuation	June 2016	Purchase 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 changes in the valuation techniques used to determine the fair value of Property, Plant and equipment using level 2 or level 3 inputs

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Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 7

	2017 \$	2016 \$
7. INFRASTRUCTURE		
Roads - Management Valuation 2015 - Level 3	234,795,000	234,795,000
Additions after valuation - cost	8,648,227	4,360,771
Less Accumulated Depreciation	<u>(62,162,167)</u>	<u>(59,245,999)</u>
	181,281,060	179,909,772
Footpaths - Management Valuation 2015 - Level 3	7,072,000	7,072,000
Additions after valuation - cost	510,916	269,356
Less Accumulated Depreciation	<u>(2,287,368)</u>	<u>(2,069,000)</u>
	5,295,548	5,272,356
Drainage - Independent Valuation 2015 - Level 3	6,870,000	6,870,000
Additions after valuation - cost	5,358,734	4,369,015
Less Accumulated Depreciation	<u>(1,738,696)</u>	<u>(1,624,348)</u>
	10,490,038	9,614,667
Parks and Reserves - Independent Valuation 2015 - Level 3	2,878,183	2,878,183
Additions after valuation - cost	1,818,469	356,623
Less Accumulated Depreciation	<u>(1,337,213)</u>	<u>(1,193,631)</u>
	3,359,439	2,041,175
Other Infrastructure - Independent Valuation 2015 - Level 3	16,279,000	16,279,000
Additions after valuation - cost	597,779	225,722
Less Accumulated Depreciation	<u>(6,587,510)</u>	<u>(5,962,692)</u>
	10,289,269	10,542,030
Depreciated Infrastructure at fair value	<u>210,715,353</u>	<u>207,380,000</u>
Current Replacement cost of Depreciated Infrastructure at fair value	284,828,307	277,475,670
less Accumulated Depreciation	<u>(74,112,954)</u>	<u>(70,095,670)</u>
Depreciated Infrastructure at fair value	<u>210,715,353</u>	<u>207,380,000</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.

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 7 (cont)

7. INFRASTRUCTURE (Continued)

Movements in Carrying Amounts

The following represents the movement in the carrying amounts of each class of infrastructure between the beginning and the end of the current financial year.

	Balance at the Beginning of the Year	Additions	(Disposals)	Revaluation Increments/ (Decrements)	Impairment (Losses)/ Reversals	Reclassification	Depreciation (Expense)	Carrying Amount at the End of Year
	\$	\$	\$	\$	\$	\$	\$	\$
Roads	(Level 3) 1,79,909,772	4,287,456	0				(2,916,168)	181,281,060
Footpaths	(Level 3) 5,272,356	241,561	0				(218,368)	5,295,548
Drainage	(Level 3) 9,614,667	989,718	0				(114,348)	10,490,038
Parks and Reserves	(Level 3) 2,041,175	1,461,846	0				(143,582)	3,359,439
Other Infrastructure	(Level 3) 10,542,030	173,172	0			174,801	(600,734)	10,289,269
Total Infrastructure	207,380,001	7,153,753	0	0	0	174,801	(3,993,200)	210,715,354

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 7 (cont)

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	Independent 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 valuation	June 2015	Construction costs and current condition (Level 2), residual values and remaining useful life assessments (Level 3) inputs
Other Infrastructure	3	Cost approach using depreciated replacement cost	Independent 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.

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 8

	2017	2016
	\$	\$
8. TRADE AND OTHER PAYABLES		
Current		
Sundry Creditors	436,073	499,013
GST Payable	296	30,632
Accrued Interest on Debentures	10,568	12,726
Accrued Expenses	35,439	15,914
Accrued Salaries and Wages	38,307	22,928
	<u>520,683</u>	<u>581,213</u>

Note 9

9. LONG-TERM BORROWINGS		
Current		
Secured by Floating Charge		
Debentures	108,362	213,028
	<u>108,362</u>	<u>213,028</u>
Non-Current		
Secured by Floating Charge		
Debentures	416,933	525,195
	<u>416,933</u>	<u>525,195</u>

Additional detail on borrowings is provided in Note 18.

Note 10

10. PROVISIONS		
Current		
Provision for Annual Leave	330,591	307,329
Provision for Long Service Leave	195,654	216,822
	<u>526,245</u>	<u>524,151</u>
Non-Current		
Provision for Long Service Leave	76,862	82,086
	<u>76,862</u>	<u>82,086</u>

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Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 11

11 RESERVES - CASH/INVESTMENT BACKED

	Opening Balance	Transfer to	Transfer (from)	Closing Balance
	\$	\$	\$	\$
Plant Replacement Reserve	576,353	8,396	(329,645)	255,104
Building Renewal Reserve	862,589	165,878		1,028,467
Rubbish Reserve	357,962	5,467		363,429
Community Centre reserve	373,498	11,712		385,210
Television Reserve	92,244	1,409		93,653
Computer Reserve	53,818	822		54,640
Caravan Parks Reserve	398,522	6,056	(24,906)	379,672
Land Development Reserve	66,697	1,019		67,715
Parking Requirements Reserve (Lot 1154 Sandpiper Street)	10,765	164		10,930
Parks and Recreational Grounds Development Reserve (Seagate Estate)	355,176	5,424		360,601
Sport and Recreation Reserve	182,854	52,854		235,708
Admin Office Extension Reserve	426			426
Landscaping Reserve (Lot 1154 Sandpiper Street)	2,499	38		2,536
Jetty Reserve	276,558	3,838	(279,751)	645
Aerodrome Reserve	79,692	23,638	(30,000)	73,330
Jurien Bay City Centre Enhancement Project (Supertowns) Reserve	494,397	5,708	(500,105)	0
Staff Attraction & Incentive Reserve	197,822	2,992		200,814
Public Open Space Renewal Reserve	739,715	102,405	(425,000)	417,120
Infrastructure Renewal Reserve	1,056,110	15,526	(503,000)	568,636
Public Open Space Construction Reserve	84,279	1,275		85,554
Infrastructure Construction Reserve				0
Building Construction Reserve	109,687	1,659		111,346
Leave Reserve	203,419	46,584		250,002
Sewer Stage 1B Reserve	21,798	252	(22,050)	0
	6,596,882	463,113	(2,114,457)	4,945,538

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.

2016-17 Financial Report

Shire of Dandaragan
Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 11 (cont)

11 RESERVES - CASH/INVESTMENT BACKED

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:

Name of Reserve	Anticipated date of use	Purpose of the reserve
Plant Replacement Reserve	Ongoing	- to be used in order to assist in the purchase of major items of plant.
Building Renewal Reserve	Ongoing	- to fund capital renewal of buildings and associated assets as guided by the Building Asset Management Plan.
Rubbish Reserve	Ongoing	- to be used to fund establishing, enhancing, rehabilitation or any other activities associated with new and existing landfill or waste site
Community Centre reserve	Ongoing	- to be used to fund capital construction costs and major maintenance restoration / preservation costs to the community recreation centres located in the four towns.
Television Reserve	Ongoing	- to be used to fund the provision of new or improved television rebroadcasting facilities throughout the shire.
Computer Reserve	Ongoing	- to be used for the future purchase of computers.
Caravan Parks Reserve	Ongoing	- to be used to fund improvements, other works and the promotion of caravan parks and their surrounds. To also fund planning, feasibility and establishment of new caravan parks.
Land Development Reserve	Ongoing	- For the purpose of funding land development in the townsites of Dandaragan and Badgingarra.
Parking Requirements Reserve (Lot 1154 Sandpiper Street)	Ongoing	- to fund future parking requirements in the Shire of Dandaragan in the vicinity of Lot 1154 Sandpiper Street, Jurien Bay as separately identified.
Parks and Recreational Grounds Development Reserve (Seagate Estate)	Ongoing	- to fund the future purchase of land or development of parks and recreation grounds in the locality of Seagate Estates as separately identified or with Ministerial approval, for the improvement or development of parks and recreation.
Sport and Recreation Reserve	Ongoing	- To fund community sporting groups requests in accordance with the Shire of Dandaragan's Recreation Plan.
Admin Office Extension Reserve	2016/2017	- To fund investigation, design and capital costs of future office extensions.
Landscaping Reserve (Lot 1154 Sandpiper Street)	Ongoing	- to fund future landscaping requirements in the Shire of Dandaragan in the vicinity of Lot 1154 Sandpiper Street, Jurien Bay as separately identified.
Jetty Reserve	2016/2017	- to fund design, feasibility and construction relating to the jetty project
Aerodrome Reserve	Ongoing	- to be used for renewal, major maintenance, expansion or relocation of Shire of Dandaragan's airstrips and aerodromes
Jurien Bay City Centre Enhancement Project (Supertowns) Reserve	2016/2017	- to be used to fulfilling the requirements, outcomes and achievables identified in the Financial Assistance Agreement for the Supertowns Development Project Fund – Jurien Bay City Centre Enhancement Project
Staff Attraction & Incentive Reserve	Ongoing	- to be used to fund staff attraction and incentive programs and processes, such as, but not limited to additional superannuation contributions, bonuses, rental subsidies and utility subsidies
Public Open Space Renewal Reserve	Ongoing	- to fund capital renewal of public open space and associated assets as guided by the Public Open Space Asset Management Plan
Infrastructure Renewal Reserve	Ongoing	- to fund capital renewal of infrastructure and associated assets as guided by the Infrastructure Asset Management Plan.
Public Open Space Construction Reserve	Ongoing	- to fund capital construction and/or purchase of public open space and associated assets.
Infrastructure Construction Reserve	Ongoing	- to fund capital construction and/or purchase of infrastructure and associated assets.
Building Construction Reserve	Ongoing	- to fund capital construction and/or purchase of infrastructure and other associated assets.
Leave Reserve	Ongoing	- to fund annual leave and long service leave entitlements.
Sewer Stage 1B Reserve	2016/2017	- to be used to fulfilling the requirements, outcomes and achievables identified in the Financial Assistance Agreement for the Sewer Stage 1B Project

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Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 12

	Actual 2016/2017	Budget 2016/2017	Actual 2015/2016
12. NOTES TO THE CASH FLOW STATEMENT			
(a) Reconciliation of Cash			
For the purposes of the cash flow statement, cash includes cash on hand and cash equivalents net of outstanding bank overdrafts. Cash at the end of the reporting period is reconciled to the related items in the balance sheet as follows:			
Cash and Cash Equivalents	7,216,558	5,098,013	8,843,273
(b) Reconciliation of Net Cash Provided by Operating Activities to Net Result			
Net Result	1,326,888	(311,573)	(77,264)
(Increase)/Decrease in Receivables	(444,886)	124,173	698,993
Grants and Subsidies for the development of assets	(3,955,271)	(3,522,092)	(3,598,932)
(Profit)/Loss on Disposal of Assets	33,859	106,776	116,653
(Increase)/Decrease in Stock	873	-	903
Depreciation	6,052,865	5,711,376	5,677,356
Fair Value adjustment to asset through profit & loss	-	-	-
Increase/Decrease in Payables and Provisions	(63,661)	(299,000)	(414,717)
Net Cash provided by Operating Activities	2,950,666	1,809,660	2,402,992
(c) Undrawn Borrowing Facilities			
Credit Standby Arrangements			
Bank Overdraft limit	350,000		350,000
Bank Overdraft at Balance Date	0		0
Credit Card limit	21,000		21,000
Credit Card Balance at Balance Date	3,988		2,437
Total Amount of Credit Unused	374,988		373,437
Loan Facilities			
Loan Facilities - Current	108,362		213,028
Loan Facilities - Non-Current	416,933		525,195
Total Facilities in Use at Balance Date	525,295		738,223
Unused Loan Facilities at Balance Date	0		0

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Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 13

13. CAPITAL AND LEASING COMMITMENTS	2017	2016
	\$	\$
(a) Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the accounts.		
Payable:		
- not later than one year	42,039	29,621
- later than one year but not later than five years	210,552	87,736
- later than five years	4,072	0
	<u>256,663</u>	<u>117,357</u>
(b) Capital Expenditure Commitments		
Contracted for:		
- plant & equipment purchases	-	-
- capital expenditure projects	15,421	556,369
Payable:		
- not later than one year	15,421	556,369

Note 14

14. TOTAL ASSETS CLASSIFIED BY FUNCTION AND ACTIVITY	2017	2016
	\$	\$
Governance	5,341,294	5,338,353
General Purpose Funding	0	0
Law, Order, Public Safety	1,795,882	1,846,101
Health	784,328	822,887
Community Amenities	14,783,706	18,028,142
Recreation and Culture	27,247,904	17,309,000
Transport	191,430,541	193,080,037
Economic Services	786,079	1,514,079
Other Property and Services	8,000,535	8,632,990
	<u>250,170,269</u>	<u>246,571,589</u>

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 15

	2017	2016	2015
15. FINANCIAL RATIOS			
Current Ratio	5.22	3.50	1.75
Asset Sustainability Ratio	0.97	0.97	1.20
Debt Service Cover Ratio	13.95	8.60	9.77
Operating Surplus Ratio	(0.31)	(0.43)	(0.18)
Own Source Revenue Ratio	0.61	0.64	0.65

The above ratios are calculated as follows:

Current Ratio	$\frac{\text{current assets minus restricted current assets}}{\text{current liabilities minus liabilities associated with restricted assets}}$
Asset Sustainability Ratio	$\frac{\text{capital renewal and replacement expenditure}}{\text{depreciation expense}}$
Debt Service Cover Ratio	$\frac{\text{annual operating surplus before interest and depreciation}}{\text{principal and interest}}$
Operating Surplus Ratio	$\frac{\text{operating revenue minus operating expense}}{\text{own source operating revenue}}$
Own Source Revenue Ratio	$\frac{\text{own source operating revenue}}{\text{operating expense}}$

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Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 16

16. RESTRICTED ASSETS

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

TRUST	Movement			30 June 2017
	1 July 2016	Inwards	Outwards	
	\$	\$	\$	\$
Housing Bonds	250			250
Seagate Estate	37,300			37,300
Dust Bond	50,007		38,958	11,049
Fire Fighting Facility	5,000			5,000
Housing Relocation Bond	4,000			4,000
Footpath Deposit	2,600			2,600
Burial Plots	2,319	807		3,126
Other Development Bonds	19,000			19,000
Dandaragan Recreation Fund	9,500			9,500
Nomination Deposits	-			-
Unclaimed monies	4,476		4,476	-
Development Assessment Panel Fee	-	6,707	6,707	-
BSL	3,000		3,000	-
BCITF	-			-
Scheme Amendment Deposit	1,000			1,000
KidsSport	480	2,349		2,829
	138,932	9,863	53,141	95,654

RESTRICTED ASSETS	Movement			30 June 2017
	1 July 2016	Inwards	Outwards	
	\$	\$	\$	\$
Regional Strategy	13,540			13,540
DOLA Stage 1 Fencing & Footpaths, Cervantes	41,401			41,401
Landcorp Cash in Lieu POS	162,500			162,500
\$500 x 11 Lot Contrib. Mtce of Canover Rd Stage 2	15,900			15,900
Footpath - Foreshore Management Plan	20,814			20,814
Lot 1146 Sandpiper Street	2,000			2,000
Retention Wormall Civil	148,050			148,050
Retention DJ MacCormick Stowns	39,078		39,078	-
Lot 290 Canover	5,000			5,000
Interest	59,550			59,550
	507,834	-	39,078	468,756

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 17

17. DISPOSALS OF ASSETS

The following assets were disposed of during the year.

Class of Asset	Net Book Value		Sale Price		Profit (Loss)	
	Actual 2016/2017	Budget 2016/2017	Actual 2016/2017	Budget 2016/2017	Actual 2016/2017	Budget 2016/2017
	\$	\$	\$	\$	\$	\$
Plant & Machinery						
Loader	9,444	12,500	6,455	5,000	(2,989)	(7,500)
6 Wheel Truck	39,998	68,964	73,182	75,000	33,184	6,036
Side Tipper & Dolly	9,499	12,000	8,000	5,000	(1,499)	(7,000)
7 Yard Truck	27,858	44,000	16,364	10,000	(11,494)	(34,000)
Trailer	9,499		3,000		(6,499)	0
End Tipper		15,000		1,000	0	(14,000)
Rubber Tyred Toller	13,500	20,000	1,000	5,000	(12,500)	(15,000)
Utility	12,498	19,276	6,364	3,000	(6,134)	(16,276)
Utility	18,332	11,060	9,091	3,000	(9,241)	(8,060)
Utility	32668		22237.47		(10,431)	0
Utility	10,800	13,976	4,545	3,000	(6,255)	(10,976)
	184,096	216,776	150,237	110,000	(33,859)	(106,776)

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 18

18. INFORMATION ON BORROWINGS

(a) Debenture Repayments

No.	Loan Details	Amount Outstanding 1 July 2016	New Loans 2016/2017	Interest Repayments 2016/2017		Principal Repayments 2016/2017		Principal Outstanding 30 June 2017
				Actual 2016/2017	Budget 2016/2017	Actual 2016/2017	Budget 2016/2017	
	Self Supporting Loans							
113	Advance Dandaragan	11,935		644	644	4,562	4,562	7,373
114	Cervantes Community Club	58,279		3,928	3,928	15,187	15,187	43,092
130	Jurien Bowling Club	131,467		6,259	6,259	19,328	19,328	112,140
131	Jurien Bowling Club	27,176		690	690	5,761	5,761	21,415
	Other Loans							
127	Jurien Admin Centre (refinance 115)	399,019		21,355	21,355	57,744	57,744	341,275
128	Jurien Jetty	110,346		4,372	4,372	110,346	110,346	-
	Total	758,223	-	37,248	37,248	212,928	212,928	525,295
	Community Group Cash Advance							
		Amount Outstanding 1 July 2016	New Loans 2016/2017	Principal Repayments 2016/2017		Principal Repayments 2016/2017		Principal Outstanding 30 June 2017
	Self Supporting							
	Cervantes Bowling Club	15,760				4,152	4,152	11,608
	Total	15,760	-	-	-	4,152	4,152	11,608

All other loan repayments were financed by general purpose revenue.

(b) Overdraft

Council established an overdraft facility of \$350,000 in 2001/02 to assist with short term liquidity requirements. The balance of the bank overdraft at 1 July 2016 and 30 June 2017 was Nil

2016-17 Financial Report

Shire of Dandaragan
Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 19

19a RATING INFORMATION

RATE TYPE	Budget 2016/2017					Actual 2016/2017					
	Rate in \$	Number of Properties	Rateable Value	Budget Rate Revenue	Budget Interim Rate	Budget Back Rates	Budget Total Revenue	Rate Revenue	Interim Rate	Back Rates	Total Revenue
General Rate											
General GRV	0.079380	1,864	27,764,122	2,204,471	-	-	2,204,471	2,234,008	19,249	-	2,253,257
Vacant Residential - GRV	0.200970	667	2,871,080	714,921	-	-	714,921	714,921	26,141	-	688,780
UV	0.007851	686	345,636,500	2,713,593	-	-	2,713,593	2,713,593	617	-	2,714,210
UV - Mining	0.007851	2	736,932	5,786	-	-	5,786	5,929	-	-	5,929
Sub-Total		3,219	377,008,634	5,638,770	-	-	5,638,770	5,668,451	6,274	-	5,662,177
Minimum Rates											
General GRV		185	2,175	121,730	-	-	121,730	121,730	-	-	121,730
Vacant Residential - GRV		163	457,730	107,254	-	-	107,254	107,254	-	-	107,254
UV		47	2,367,800	30,926	-	-	30,926	30,926	-	-	30,926
UV - Mining		81	1,415,146	66,744	-	-	66,744	65,920	-	-	65,920
Sub-Total		476	4,242,851	326,654	0	0	326,654	325,830	0	0	325,830
Ex Gratia Rates							1,204	1,204			1,275
Discounts (refer note 21)		3,695	381,251,485	5,965,424			5,966,628	5,994,281			5,989,282
Total as per Rate Setting Statement							(210,000)				(216,399)
Specified Area Rate (refer to note 20b)							5,756,628				5,772,983
Instalment Admin Fee							114,746				115,872
							13,000				13,350
Total as per Income Statement							5,884,374				5,902,205

2016-17 Financial Report

Shire of Dandaragan
Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 19 (cont.)

19b RATING INFORMATION

Information on Surplus/(Deficit) Brought Forward

Description	2017	2016
NET CURRENT ASSETS		
Composition of Estimated Net Current Asset Position		
CURRENT ASSET		
Cash - unrestricted	2,271,019	2,252,342
Cash - restricted	4,945,538	6,596,882
Receivables	986,066	502,631
Inventories	24,690	25,563
	<hr/>	<hr/>
	8,227,314	9,377,418
LESS: CURRENT LIABILITIES		
Payables and provisions	(436,369)	(529,645)
	<hr/>	<hr/>
	7,790,945	8,847,773
Less: restricted cash - reserves	4,945,538	6,596,882
NET CURRENT ASSET POSITION	<hr/> 2,845,406	<hr/> 2,250,891

2016-17 Financial Report

Shire of Dandaragan
Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 20

20a. SPECIFIED AREA RATE -FINANCIAL YEAR

		2016/2017						
Rate in \$	Basis of Rate	Rateable Value \$	Rate Revenue \$	Budget Rate Revenue \$	Applied to Costs \$	Budget Applied to Costs \$		
0.005554	GRV	20,660,022	114,746	114,746	114,746	114,746	114,746	
			1,126	0	1,126	0	0	
			115,872	114,746	115,872	114,746	114,746	

Jetty

- Rate
- Interim Rate
- Back Rate

The specified area rate is for design, feasibility and construction relating to the new jetty and foreshore development at Dobbyn Park - Jurien Bay

The proceeds of the rate are applied to the cost of design concept, plans, costing and construction.

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 21

21. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
General Rates	Discount	5.00%	216,299	210,000
Rates				
Central West Men's Shed	Write-Off		3,372	3,372
Civic Centre Hire				
Jurien Bay District High School	Waiver		6,220	6,220
Jurien Bay Airstrip Landings				
Mr P M Lonnon	Waiver		8,756.60	
Pearce Flying Club Inc	Waiver		2,087.40	
R F D S Western Operations - WA	Waiver		511.20	
Najara Enterprises P/L	Waiver		227.20	
Royal Aero Club of WA Inc	Waiver		156.20	
Lloyd Helicopters P/L	Waiver		142.00	
Goodwin-McCarthy Helicopters P/L	Waiver		71.00	
Air Australia International P/L	Waiver		56.80	
Curtin Flying Club Inc	Waiver		56.80	
Eagle Magic P/L	Waiver		56.80	
Mr L Northey	Waiver		56.80	
Mr M W Power	Waiver		56.80	
Awesome Aviation P/L	Waiver		42.60	
Corsaire P/L	Waiver		42.60	
Kelmac Aviation P/L	Waiver		42.60	
Mr H L Hamersley	Waiver		42.60	
Mr I B Watt	Waiver		42.60	
Aeropower P/L	Waiver		28.40	
Arlington Group P/L	Waiver		28.40	
Christine Nominees P/L	Waiver		28.40	
L W's Holdings	Waiver		28.40	
Mr A Dean	Waiver		28.40	
Mr B H Markham	Waiver		28.40	
Mr D G Watkins	Waiver		28.40	
Mr R A Davies	Waiver		28.40	
State of Western Australia	Waiver		28.40	
Swan Aviation Club P/L	Waiver		28.40	
210 Airways P/L	Waiver		14.20	
Adelaide Tandem Skydiving P/L	Waiver		14.20	
C T L Flying Group	Waiver		14.20	
Dr J R Owen	Waiver		14.20	
Dr S N Clarke	Waiver		14.20	
Flinders Uni of SA	Waiver		14.20	
Geraldton Air Charter P/L	Waiver		14.20	
Helidoc P/L	Waiver		14.20	
Midwest Aerial Ag P/L	Waiver		14.20	
Mr A F Thomas	Waiver		14.20	
Mr A M Dearlove	Waiver		14.20	
Mr B A Ahearn	Waiver		14.20	
Mr B E Collins	Waiver		14.20	
Mr B Jones	Waiver		14.20	
Mr C D Brown	Waiver		14.20	
Mr C O Hanson	Waiver		14.20	
Mr D J Barnes	Waiver		14.20	
Mr D Joice	Waiver		14.20	

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

21. DISCOUNTS, INCENTIVES, CONCESSIONS, & WRITE-OFFS

	Type	Disc %	Total Cost/ Value \$	Budget Cost/ Value \$
Mr E Croft	Waiver		14.20	
Mr G A Millsteed	Waiver		14.20	
Mr J Murphy	Waiver		14.20	
Mr M G Chester	Waiver		14.20	
Mr M Laufer	Waiver		14.20	
Mr M Murtagh	Waiver		14.20	
Mr M Vivian	Waiver		14.20	
Mr N Emmans	Waiver		14.20	
Mr R E Naef	Waiver		14.20	
Mr R J Grimstead	Waiver		14.20	
Mr R Philip	Waiver		14.20	
Mr R T Ryan	Waiver		14.20	
Mr S Palmer	Waiver		14.20	
Mr S Vojkovic	Waiver		14.20	
Mr W H Van Ast	Waiver		14.20	
Ms M L Murray	Waiver		14.20	
Northam Air Services P/L	Waiver		14.20	
Police Aero Club of WA	Waiver		14.20	
Rioh P/L	Waiver		14.20	
Singapore Flying College P/L - WA	Waiver		14.20	
Southern Aviation P/L	Waiver		14.20	
Stamford Park Investments P/L T/A Aerohire	Waiver		14.20	
Star Aviation P/L	Waiver		14.20	
Three Corners Properties P/L	Waiver		14.20	
Vortex Air P/L	Waiver		14.20	
Wiseyield Investments P/L	Waiver		14.20	
			13,357.40	13,357

A discount on rates is granted to all who pay their rates in full within 35 days of the date of service appearing on the rate notice.

Rates for 3 Madrid Street, Cervantes are written-off for the following reasons;

- i. the tenure of the land being crown land would be otherwise exempt from rating had the Ce
- ii. the Central West Men's Shed is a non for profit community group with limited income earn
- iii. the purpose of a Men's Shed aligns with the Shire of Dandaragan's strategic plan

Hire fees for rooms at the Civic Centre are waived for educational purposes

Certain Landing fees at the Jurien Bay airstrip were waived

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 22

22. INTEREST CHARGES AND INSTALMENTS

	2016/2017			
	Interest Rate %	Admin. Charge \$	Revenue \$	Budgeted Revenue \$
Interest on Unpaid Rates	10.00%		32,819	27,000
Interest on Instalments Plan	5.00%		15,660	15,500
Interest on ESL	11.00%		1,121	0
Interest on Deferred Pensioner			861	1,000
			50,461	43,500
Charges on Instalment Plan			13,350	13,000

Ratepayers had the option of paying rates in four equal instalments, due;
Friday, 23 September 2016
Wednesday, 23 November 2016
Monday, 23 January 2017
Thursday, 23 March 2017

Administration charges and interest applied for the final three instalments.

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 23

23. FEES & CHARGES	2017	2016
	\$	\$
Governance	151	113
General Purpose Funding	14,911	11,190
Law, Order, Public Safety	304,255	311,063
Health	13,681	11,169
Education & Welfare	0	0
Community Amenities	1,180,929	1,102,559
Recreation & Culture	243,585	203,262
Transport	17,481	10,424
Economic Services	238,773	192,831
Other Property & Services	17,202	85,524
	<u>2,030,968</u>	<u>1,928,134</u>

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

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 24

24. GRANT REVENUE	2017	2016
	\$	\$
By Nature and Type:		
Grants and Subsidies - operating	2,755,587	1,143,498
Grants and Subsidies - non-operating	<u>3,955,271</u>	<u>3,598,932</u>
	<u>6,710,857</u>	<u>4,742,430</u>
By Program:		
General Purpose Funding	2,430,651	757,735
Governance	0	0
Law, Order, Public Sector	222,843	79,722
Health	0	0
Education and Welfare	0	0
Community Amenities	765,614	20,000
Recreation and Culture	757,144	297,500
Transport	2,513,105	3,565,355
Economic Services	21,500	22,118
Other Property	<u>0</u>	<u>0</u>
	<u>6,710,857</u>	<u>4,742,430</u>

Note 25

25. COUNCILLORS' REMUNERATION	Actual 2016/2017	Budget 2016/2017	Actual 2015/2016
	\$	\$	\$
The following fees, expenses and allowances were paid to council members and/or the president.			
Councillor Meeting Fees	112,840	127,720	126,056
President Meeting Fees	24,720	24,720	24,384
President Allowance	12,000	12,000	11,837
Deputy President Allowance	3,000	3,000	2,959
Travelling Expenses	21,047	25,000	18,325
ICT Allowance	28,238	31,500	
Technology Allowance			9,003
Telecommunications Allowance			<u>4,327</u>
	<u>201,845</u>	<u>223,940</u>	<u>196,892</u>

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 26

	2017	2016
	\$	\$
26. REVALUATION SURPLUS		
Revaluation surplus have arisen on revaluation of the following classes of non-current assets;		
(a) Furniture and Equipment		
Opening Balance	677,046	400,366
Revaluation Increment	0	276,680
Revaluation Decrement	0	0
	<u>677,046</u>	<u>677,046</u>
(b) Plant and Equipment		
Opening Balance	597,214	813,172
Revaluation Increment	0	0
Revaluation Decrement	0	-215,958
	<u>597,214</u>	<u>597,214</u>
(c) Land		
Opening Balance	1,883,204	1,883,204
Revaluation Increment	432,000	0
Revaluation Decrement	0	0
	<u>2,315,204</u>	<u>1,883,204</u>
(d) Building		
Opening Balance	13,672,369	13,672,369
Revaluation Increment	882,828	0
Revaluation Decrement	0	0
	<u>14,555,197</u>	<u>13,672,369</u>
(e) Infrastructure Roads		
Opening Balance	10,476,118	10,476,118
Revaluation Increment	0	0
Revaluation Decrement	0	0
	<u>10,476,118</u>	<u>10,476,118</u>
(f) Infrastructure Drainage		
Opening Balance	3,690,258	3,690,258
Revaluation Increment	0	0
Revaluation Decrement	0	0
	<u>3,690,258</u>	<u>3,690,258</u>
(g) Infrastructure Footpaths		
Opening Balance	3,862,146	3,862,146
Revaluation Increment	0	0
Revaluation Decrement	0	0
	<u>3,862,146</u>	<u>3,862,146</u>
(h) Infrastructure Other		
Opening Balance	7,193,984	7,193,984
Revaluation Increment	0	0
Revaluation Decrement	0	0
	<u>7,193,984</u>	<u>7,193,984</u>
TOTAL ASSET REVALUATION SURPLUS	<u><u>43,367,167</u></u>	<u><u>42,052,339</u></u>

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 27

EMPLOYEE		
27. NUMBERS	2017	2016
The number of full-time equivalent employees at balance date	<u>49</u>	<u>48</u>

Note 28

TRADING UNDERTAKINGS AND MAJOR TRADING 28. UNDERTAKINGS

Council did not participate in any trading undertakings or major trading undertakings during 2016/2017

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 29

29. FINANCIAL RISK MANAGEMENT

Council's activities expose it to a variety of financial risks including price risk, credit risk, liquidity risk and interest rate risk. The Council's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council. Council 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 Council held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2017 \$	2016 \$	2017 \$	2016 \$
Financial Assets				
Cash and cash equivalents	7,216,558	8,849,224	7,216,558	8,849,224
Receivables	<u>1,184,618</u>	<u>784,632</u>	<u>1,184,618</u>	<u>784,632</u>
	<u><u>8,401,176</u></u>	<u><u>9,633,856</u></u>	<u><u>8,401,176</u></u>	<u><u>9,633,856</u></u>
Financial Liabilities				
Payables	520,683	581,213	520,683	581,213
Borrowings	<u>525,295</u>	<u>738,223</u>	<u>525,295</u>	<u>738,223</u>
	<u><u>1,045,978</u></u>	<u><u>1,319,436</u></u>	<u><u>1,045,978</u></u>	<u><u>1,319,436</u></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.
- Financial Assets at Fair Value through profit and loss, Available for Sale Financial Assets – based on quoted market prices at the reporting date or independent valuation.

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 29 (cont)

29. FINANCIAL RISK MANAGEMENT (Continued)

(a) Cash and Cash Equivalents

Council'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). Council has an investment policy and the policy is subject to review by Council.

The major risk associated with investments is price risk – the risk that the capital value of investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments of their issuers or factors affecting similar instruments traded in a market. Cash and investments are also subject to interest rate risk – the risk that movements in interest rates could affect returns.

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

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from independent advisers (where applicable) before placing any cash and investments.

	2017	2016
	\$	\$
Impact of a 1% (+) movement in interest rates on cash and investments:		
- Equity	72,166	88,492
- Income Statement	72,166	88,492

Notes:

(+) Maximum impact.

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 29 (cont)

29. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

Council'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.

Council 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 Council to recover these debts as a secured charge over the land – that is, the land can be sold to recover the debt. Council 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 profile of the Council's credit risk at balance date was:

	2017	2016
Percentage of Rates and Annual Charges		
- Current	0.35%	0.14%
- Overdue	99.65%	99.86%
Percentage of Other Receivables		
- Current	41.30%	72.80%
- Overdue	58.70%	27.20%

2016-17 Financial Report

Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 29 (cont)

29. FINANCIAL RISK MANAGEMENT (Continued)

(b) Receivables

Council'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.

Council 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 Council to recover these debts as a secured charge over the land – that is, the land can be sold to recover the debt. Council 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 profile of the Council's credit risk at balance date was:

	2017	2016
Percentage of Rates and Annual Charges		
- Current	0.35%	0.14%
- Overdue	99.65%	99.86%
Percentage of Other Receivables		
- Current	41.30%	72.80%
- Overdue	58.70%	27.20%

2016-17 Financial Report

Shire of Dandaragan
Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 29 (cont)

29. FINANCIAL RISK MANAGEMENT (Continued)

(c) Borrowings

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

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 %
for the year ended 30 June 2017								
Borrowings								
Fixed Rate								
Debentures	0	7,373	43,092	0	21,415	453,415	525,295	5.43%
Weighted Average Effective Interest Rate		5.96%	7.20%		2.68%	5.40%		
for the year ended 30 June 2016								
Borrowings								
Fixed Rate								
Debentures	0	0	11,935	50,821	0	560,486	623,242	5.42%
Weighted Average Effective Interest Rate			5.96%	7.20%		5.25%		

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Key Management Personnel (KMP) Compensation Disclosure

2017
\$

The total of remuneration paid to KMP of the Shire during the year are as follows:

Short-term employee benefits	1,001,193
Post-employment benefits	108,119
Other long-term benefits	21,252
Termination benefits	-
	<u>1,130,564</u>

Short-term employee benefits

These amounts include all salary, paid leave, fringe benefits and cash bonuses awarded to KMP except for details in respect to fees and benefits paid to elected members which may be found at Note 25

Post-employment benefits

These amounts are the current-year's estimated cost of providing for the Shire's superannuation contributions made during the year.

Other long-term benefits

These amounts represent long service benefits accruing during the year.

Termination benefits

These amounts represent termination benefits paid to KMP (Note: may or may not be applicable in any given year).

Related Parties

The Shire's main related parties are as follows:

i. Key management personnel

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any elected member, are considered key management personnel.

ii. Entities subject to significant influence by the Shire

An entity that has the power to participate in the financial and operating policy decisions of an entity, but does not have control over those policies, is an entity which holds significant influence.

Significant influence may be gained by share ownership, statute or agreement.

iii. Joint venture entities accounted for under the equity method

The Shire has a two-third interest in a Club Development Officer. The interest in the joint venture entity is accounted for in these financial statements using the equity method

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Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 30 (cont.)

30. RELATED PARTY TRANSACTIONS (Continued)

Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties: 2017
\$

Associated

companies/individuals:

Sale of goods and services -

Purchase of goods and services 15,990

Joint venture

entities:

Distributions received from joint venture entities 13,452

Amounts outstanding from related parties:

Trade and other receivables -

Loans to associated entities -

Loans to key management personnel -

Amounts payable to related parties:

Trade and other payables -

Loans from associated entities -

Other Disclosure

Parties related to KMP's are employed by the Shire in a non-KMP role.

The related parties are employed in accordance to normal terms and conditions afforded to all employees of the Shire.

Note: Transitional provisions contained within AASB 2015-6 do not require comparative related party disclosures to be presented in the period of initial application. As a consequence, only disclosures in relation to the current year have been presented.

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Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Note 31

31. JOINT VENTURE ARRANGEMENTS

The Shire together with the Shire of Coorow have a joint venture arrangement with regard to the provision of a Club Development Officer.

The joint venture has no assets.

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Shire of Dandaragan

Notes to and forming part of the Financial Report for the year ended 30 June 2017

Supplementary Ratio Information

SHIRE OF DANDARAGAN SUPPLEMENTARY RATIO INFORMATION

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

	2017	2016	2015
Asset Consumption Ratio	0.71	0.77	0.78
Asset Renewal Funding Ratio	1.82	1.79	2.42

The above ratios are calculated as follows:

Asset Consumption Ratio	$\frac{\text{depreciated replacement cost of assets}}{\text{current replacement cost of depreciated assets}}$
Asset Renewal Funding Ratio	$\frac{\text{NPV of planned capital renewals over 10 years}}{\text{NPV of required capital expenditure over 10 years}}$

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