

City of Canning



Annual Report

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City of Canning



Key Goals

The Council has set a series of key goals to provide a tangible expression of what it wants to see achieved in the future.

They are:

Serve the people of the City of Canning with sensitivity to their needs; and encapsulate as part of its culture, the organisation's motto

“ABOVE ALL SERVICE”

Provide for the convenience, comfort and safety of all persons of the City; ensure appropriate development and maintenance of the amenities of every part of the City; build a City of opportunities and a City in which people will be proud to live, work and recreate.

Promote the economic development and substantial growth of the City; provide open and fair government for all residents and ratepayers; safeguard the health and welfare of those who reside or work within the City.

Objectives and Achievements

OBJECTIVES FOR 1999/2000

1. Allocation of more funds for Capital Works and Services from own Resources.
2. Maintain Rates and Charges increase to approximately the rate of inflation.
3. No new Loan Borrowings to fund the City's Capital Works Programme.
4. To incorporate the programmes and activities proposed in the Plan of Principal Activities in the Annual Budget and to adhere to the objectives as set out in the Plan.
5. To achieve the Performance Measures detailed in the Business Plans of the various Service Units.
6. Requirement that 97.5% of Funds allocated for Capital Works and Services be spent by 30th June of each year.

ACHIEVEMENTS FOR 1999/2000

1. \$12.8M was allocated for Capital Works and Services from own resources, an increase of \$1.7M when compared to previous year.
2. Rates increases were limited to 1%.
3. No new Loans were raised during the year excluding Self-Supporting Loans.
4. All programmes and activities proposed in the Plan of Principal Activities were incorporated in the Annual Budget and the Objectives as set out in the Plan were adhered.
5. The City's objective is to ensure that 97.5% of the funds allocated for Capital Works and Services be spent by 30 June of each year. The Capital Works and Services Programme has been finalised with the exception of the following major initiatives:

*** Riverton Community & Recreation Complex.**

Annual allocation to the project was made, Stage 2 of the construction phase, which is due to commence in August 2000 and its anticipated to be completed by September 2001.

*** Part Funding - Refurbishment Council Administration Building**

HIGHLIGHTS OF 1999/2000

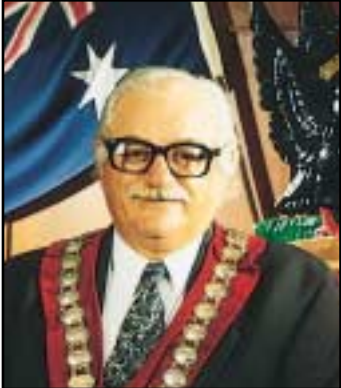
During the 1999/2000 financial year the City achieved the following:

1. No new Loans to fund its Capital Works Programme were raised.
2. Net surplus of \$2.82M after allowing for committed expenditure.
3. Council adopted a general Rate in the Dollar of 5.71 cents and a minimum rate at \$350 p.a. resulting in 1% additional Revenue from this source after allowing for Natural Growth.
4. Funds allocated from own resources for the provision of capital works and services increased by \$1.7M. The total expenditure on the Capital Programme amounted to \$15.8M.
5. \$40.3M was spent to maintain services at current levels.

OBJECTIVES OF 2000/2001

1. Allocation of more funds for Capital Works and Services from own Resources.
2. Maintain Rates and Charges increase to approximately the rate of inflation.
3. No new Loan Borrowings to fund the City's Capital Works Programme.
4. To incorporate the programmes and activities proposed in the Plan of Principal Activities in the Annual Budget and to adhere to the objectives as set out in the Plan.
5. To achieve the Performance Measures detailed in the Business Plans of the various Service Units.
6. Requirement that 97.5% of Funds allocated for Capital Works and Services be spent by 30th June of each year.

Statement by the Mayor



Dr M Lekias
Mayor

During the year the City conducted a New Years Day Celebration on the Shelley Foreshore. A number of community organisations participated in the event which culminated in a fireworks spectacular. An estimated 9,000 people attended the event which was well received by the Community. The City will continue this theme in the 2000/2001 financial year and has allocated funds in the Annual Budget to again conduct a New Years Day Celebration, and for the first time a Multicultural Festival and a National Anthem Promotion.

The City's 1999/2000 financial year reflects our efficiency in maintaining acceptable rate levels. The City ended the year with a net surplus of \$2.82 million.

The official opening of the Lynwood Youth and Family Centre in August 2000 was a highlight of a busy year. The Centre provides young people with a variety of programs including indoor recreation activities, special interest groups, camps and other outings. The Centre has proven to be very popular attracting approximately 45-55 local young people.

The Rossmoyne Underground Power Project was initiated during the year and is expected to be completed in December 2000. The project includes the conversion of all existing overhead customer service connections to underground between the property boundary and residence. The cost of the project is estimated at \$4.72M to be funded by the WA State Government, Western Power and the City of Canning via a service charge imposed within the defined area.

Considerable progress has occurred in the development of a Local Planning Strategy, which will form the basis of a review of the City's Zoning Scheme, Town Planning Scheme No. 40.

I acknowledge the contribution made by my Council Members, Management and Staff. We will continue to operate on the basis of co-operation, honesty and integrity in all decisions and above all work as a team for the progressive and efficient operation of the City.

Dr M S Lekias
Mayor



New Years Celebration 1999/2000

City of Canning

The Council

Mayor
Dr M. Lekias



Mason Ward



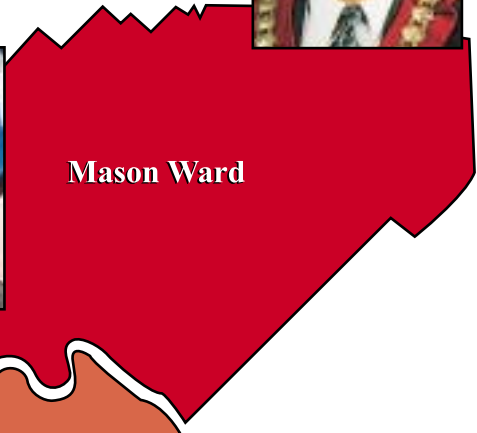
Councillor
Elliott



Councillor
Delle-Donne



Councillor
Beacroft



Mason Ward

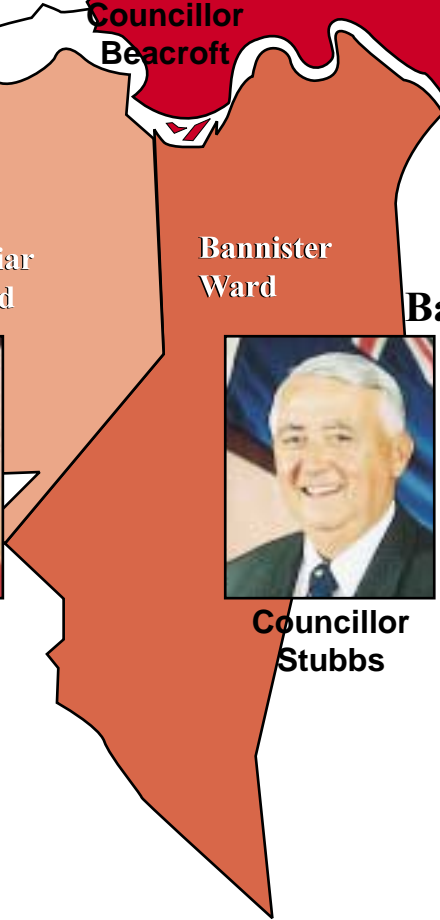
Beeliar Ward



Councillor
Clarke



Councillor
Morgan



Beeliar
Ward

Bannister
Ward

Bannister Ward



Councillor
Stubbs



Councillor
Wibberley



Councillor
Snell



Councillor
Mason

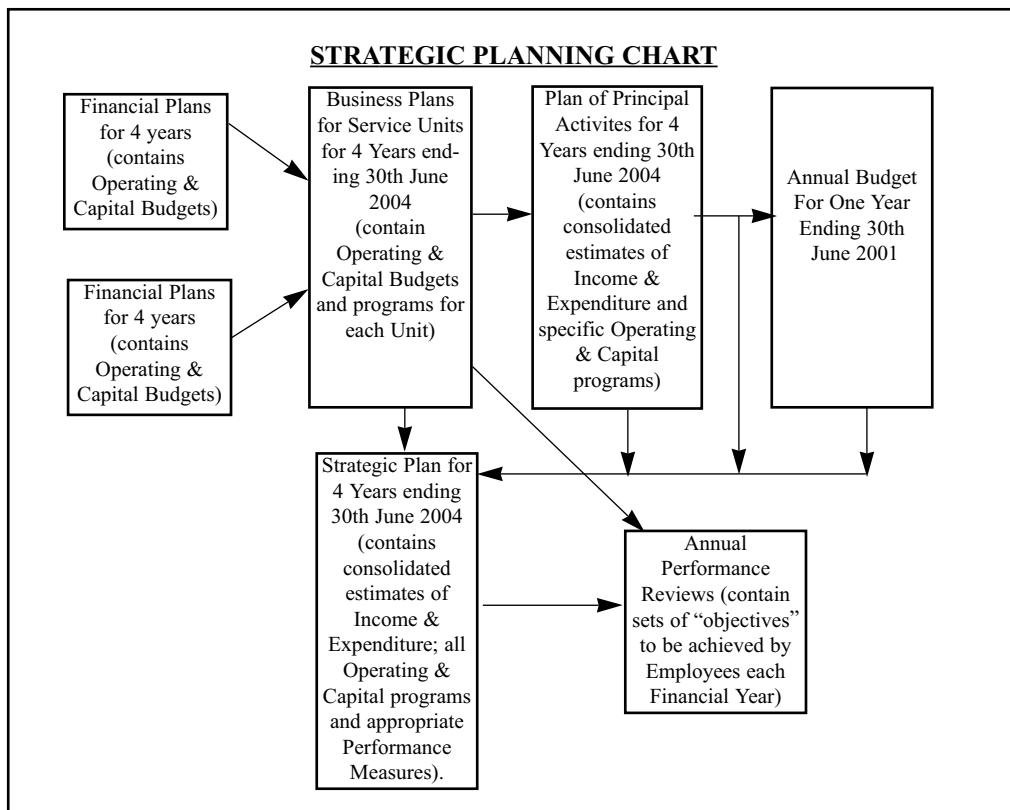
Chief Executive Officer's Report



Ian Kinner
Chief Executive Officer

The Plan to improve the services provided by the City incorporated the following elements:

Strategic Plan	Business Plans	Plan of Principal Activities	Forward Plans	Annual Performance Review	Budget
An all embracing document that sets out, among other things, where the City wants to be positioned within four years; it ideally analyses what the City has to do if it intends to get there; this analysis broadly covers every program and is concluded by statement of the financial forecasts for a four year period.	Specific document, designed to address activities under a nominated program. Designed to ensure that Council addresses the legal requirements of the Local Government Act 1995; National Competition Policy (NCP); and other legislation; covers major trading and land transactions.	A specific document, covering principal activities which will be undertaken over a four year period; the document is reviewed annually, it concludes with a statement of the financial forecast for a four year period.	A specific document, covering activities which the Council desires to be undertaken over a period of years. The document contains the allocation of total financial resources over a period of four years.	Reviews the performance of employees (particularly Executives and Managers) to ensure achievement of the objectives and strategies contained with the Business Plans, Strategic Plans and Plan of Principal Activities.	A formal document covering the anticipated incomes and expenditure of a local government over a period of one year.



The following Annual Report details the operations of the City for the 1999/2000 financial year.

City of Canning

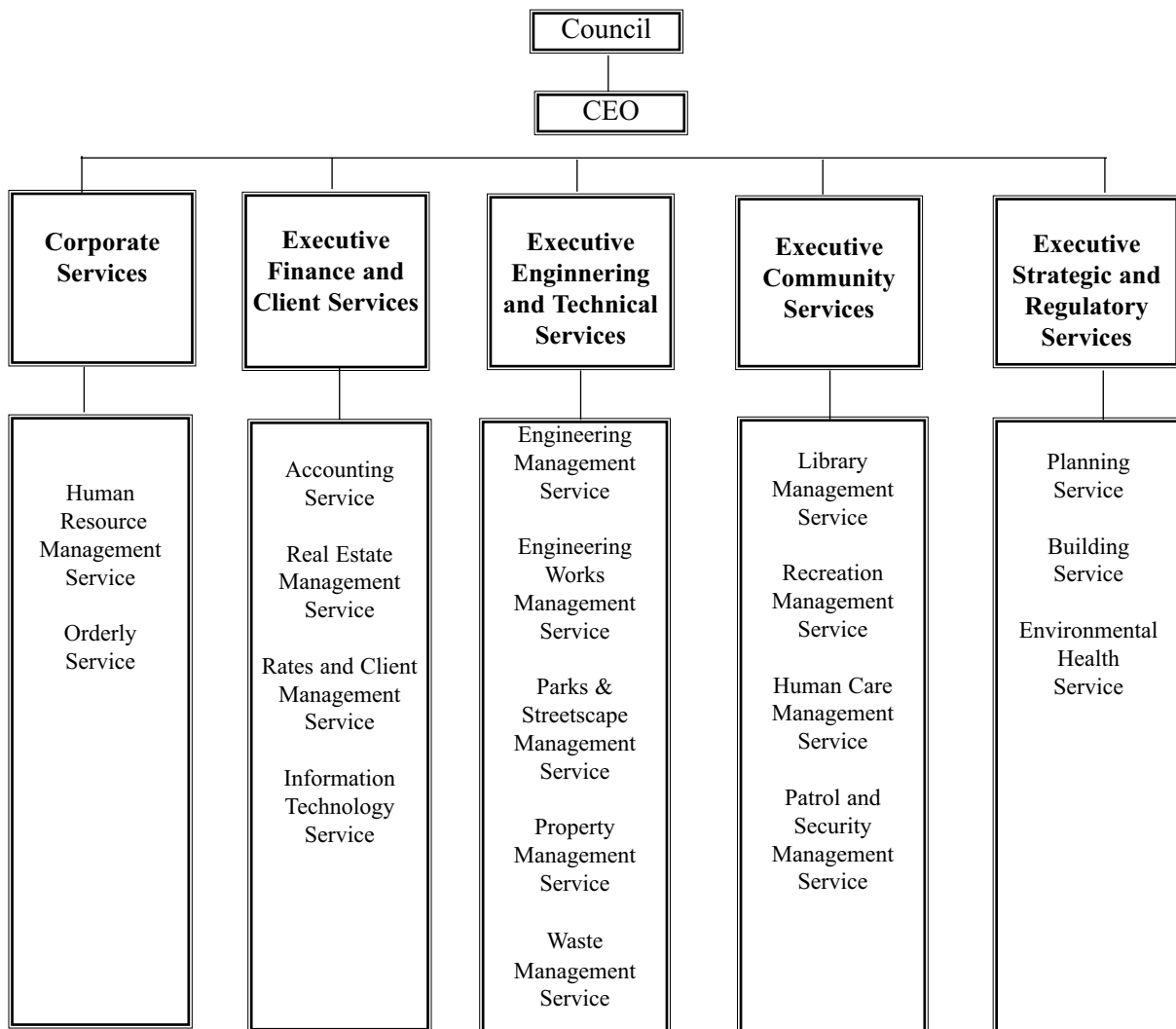
Organisational Structure



Standing L to R: Paul Merlo, Silvio Trinca and Stuart Devenish
Seated L to R: Dominic Carbone, Mayor Mick Lekias, Ian Kinner

The City of Canning staff members are part of the corporate structure headed by the Chief Executive Officer. This corporate approach ensures that staff members work towards achieving common goals.

The staff is organised across four Divisions. Whilst the Chief Executive Officer is responsible for the overall management of the organisation, each Division has its own Executive who oversees the functioning of his/her Division. The Corporate Management team implements and administers the policies of the elected Members.



Engineering and Technical Services Division



Silvio Trinca
Executive Officer

The focus of the Division continued to be on the provision of quality, efficient services at a competitive cost. Several services were again market tested, resulting in the City regaining the contracts. Together with improved internal work practices and restructuring, the Division is confident that the community is benefiting from the quality of the services provided. Continual Customer surveys provide important feedback on our performance.

The financial strategy continued to focus on the maintenance and enhancement of existing infrastructure assets. The long term management of Council's infrastructure is imperative to ensure a sustainable level which will not be a legacy for future generations.

ENGINEERING SERVICES

The major focus of the Engineering Budget continued to be on the preservation of its major asset - the road network. Approximately \$5.6M was spent on Road Rehabilitation, improvements and traffic management during the 1999/2000 financial year.

The long term programme to upgrade footpaths continued to be a priority with \$722,000 spent on constructing 6.7km of new Footpaths and the upgrading of 4.7km of slab paths to insitu concrete.

Major works and events during 1999 included:

- Reconstruction of sections of Bannister Road, Kewdale Road, Lawson Street, Vulcan Road, Railway Parade and Sevenoaks Street.
- Dualling a section of Nicholson Road between Ranford Road and Eucalyptus Boulevard.

- The Canning Regional Centre had the large open drain along Grose Avenue piped and the ground levelled together with brick paving around Grose Avenue adjacent to Carousel Shopping Centre.
- Working with local schools and P & C groups to progress "Safe Routes to School" and build embayments at Shelley Primary School and Queens Park Primary School.
- Installation of significant traffic calming measures in Corinthian Road East, Leach Avenue, Vellgrove Avenue, Eureka Road, Hybanthus Road, Hossack Avenue and Acanthus Road.
- Major drainage works for Malindi Street, Killara Drive, Juniper Way, Grace Street and Charles Street.

PARKS AND STREETSCAPE SERVICES

The Parks and Streetscapes Services Department main focus was on the enhancement of the City's Parks and Streetscapes.

The City is currently monitoring irrigation on its parkland via its computerised irrigation network and to ensure responsible ground water use and energy consumption. In addition the chemical analysis of soils and grass tissue samples has allowed the development of nutrient management programs, resulting in significant reduction in the volume of phosphorus fertiliser used on the City's parkland and it will assist in reducing the extent of nitrification in ground water aquifers and river systems.



Executive, Managers and Secretary

The completion of the Department's capital program resulted in the planting of floral displays on Albany Highway adjacent to Leach Highway and the Administration Office. Other development projects included the creation of a new district playground at Groundlark Reserve, East Cannington. Automatic irrigation systems were installed in Crofton Park, Lynwood; Parkhill Park, Wilson; and Russel Park in Queens Park. The City's Streetscape Enhancement Program saw the initiation of an upgrade to the South Street carriageway, particularly with the construction of limestone retaining walls to support existing earth batters.

The Department also continued its environmental rehabilitation activities by working closely with community based environmental groups, the focus of this work being principally within Bannister Creek, Ferndale; Yagan Wetland Reserve, Rossmoyne; Prendwick Park, Willetton; the Shelley/Rossmoyne Foreshore and with the Canning River Regional Park.

WASTE MANAGEMENT

During the 1999/2000 financial year, waste collection and disposal service included:

- Weekly collection of 240 litre mobile garbage bins.
- Fortnightly verge side collection of recyclables utilising a 240 litre mobile garbage bin.
- Three times per year green waste and junk collections.
- Six free tipping vouchers for use at the Ranford Road landfill site.

Notable achievements were:

- The implementation of a Kerbside Recycling Collection Service utilising a 240 litre mobile garbage bin for all residential properties.
- Construction of the Regional Resource Recovery Centre at Canning Vale commenced. It is expected the Materials Recovery facility for recyclables will be operational by April 2001.
- The planned in-vessel composting plant for organic material along with a greenwaste mulching and processing facility will also become operational in early 2002.

PROPERTY SERVICES

The upgrade of the City's building facilities has continued in the 1999/2000 financial year, along with the City's established pro-active property maintenance program.

Capital works carried out on existing facilities during 1999/2000 were:

- New toilet block at Willetton Park.
- Renovation to Wandarra Hall.
- External painting to Rossmoyne Hall and Willetton Pavilion.
- Sewer connection to Willetton Park.
- Upgrade fence to tennis courts at Burrendah Park.
- Reconstruction of carparks at Coker Park and Ferndale Park.
- Resurfacing carpark at Shelley Reserve net-ball courts and Willetton Sports Club.
- Renovate existing roof at Corinthian Tennis club
- Extensions to workroom at Willetton Library.

Council's policy and measures to control graffiti within the City of Canning is now showing results as graffiti to council buildings has significantly been reduced. Council has introduced its own dedicated graffiti removal van to work in removing graffiti on Council properties and fences adjoining public open space.

The replacement program for street name plates is continuing with Queens Park, Bentley, Rossmoyne and Shelley now been completed.

Community Services Division



Paul Merlo
Executive Officer

RECREATION SERVICES

Council invited expressions of interest from builders to construct its \$14 million Riverton Recreation Complex and subsequently appointed Keywest Construction. Development of the Riverton Recreation Complex received a boost as a result of a successful funding application to the Ministry of Sport and Recreation. The City has received a grant of \$1.3 million towards the cost of constructing the proposed leisure facility. The project is expected to be completed by October 2001.

The Queens Park Recreation Centre has improved the quality of its services with the replacement of some floor coverings, installation of air-conditioning in the lesser hall, an automatic entrance door and a computer system upgrade.

The City's residents and other patrons using the Canning Aquatic Centre in Bentley will benefit with the completion of improvements to the floor and wall tiling in the changerooms.

The high standard playing field at the Whaleback Golf Course will be maintained with the completed reticulation pumphouse upgrade and the purchase of a new tractor and various other equipment. This facility continues to prove very popular with over 98,000 patrons using it over the past 12 months.

COMMUNITY FACILITIES & PROGRAMMES

A highlight of community recreation was the celebration of New Years Day 2000 on the Shelley Foreshore. Some 9,000 people watched the fireworks display after enjoying a variety of musical entertainment in the early evening. Kent Street Weir Park was the venue for a number of annual celebrations including Australia Day and Foundation Day functions as well as the Seniors Give It A Go Day.

The "Musical March" series of free concerts actually commenced in February and was held at a number of venues through until April. Local musicians including the Canning City Brass Band and local choirs participated. The Canning Art Award organised in co-operation with the Canning Arts Group was postponed to September as it was necessary to relocate to a new venue.

On-going activities included the placement of community group information on Council's website on the Internet and installation of a new booking system for the recreation equipment pool and facilities. Work is continuing to enable bookings to be made by the community via the Internet for these facilities.

Plans were finalised for new changerooms at Riverton Reserve. Agreement has been reached between the City and the Education Department in relation to the use of Council facilities located on Coker Park by the new Cannington Community College (K-10 School).

LIBRARY SERVICES

The City's four libraries at Riverton, Bentley, Queens Park and Willetton, completed another busy year of service for 1999/2000. Some 267,000 visits were made to borrow items (up 1.5% over the previous year), with a further 50,000 visits estimated for purposes other than borrowing (to attend an activity program, to use the Internet or a word processor, to study, etc). Staff assisted patrons with 24,000 requests for information, while over 400,000 enquiries were logged on the public access catalogue computers.

Technology has been a focus over the past year. Following the successful introduction of a coin-operated kiosk for E-mail at Riverton Library, similar kiosks were installed at the other libraries, and have been well received. Remote access to the library catalogue, via the Internet, was made a feature of the City's web-site and has proved very popular, with users being able to check what is in stock, place reservations and renew their loans from home. Additional workstations in the libraries for Internet access and word-processing have been installed where space has been available.

A National Competition which aims to develop children's enthusiasm and skills in creative writing "*Write-Around-Australia*" was conducted. The City's Library Service liaised with schools and public libraries, arranging entries, workshops, judging and presentations. The competition culminated in an evening of formal presentations at the Riverton Library. Building modifications at Willetton Library were undertaken to extend the previously cramped and inefficient workroom space. This has greatly improved working conditions for staff, which has in turn increased service quality.

HUMAN SERVICES

* Disability, Youth and Family Services

The official opening of the Lynwood Youth and Family Centre in August 2000 was the highlight of a busy year for the Youth and Family Services. Funding from the Lotteries Commission, Office of Youth Affairs and a significant contribution from Council enabled the construction of the purpose built facility.

The Youth Accommodation Services purchased two properties from funding received from Homeswest. Eight young people will now be accommodated and supported by this service. An additional residence was constructed in Bentley to accommodate three people with intellectual disabilities.

The Lotteries Commission provided funding to continue the successful school holiday program for teenage children with disabilities to participate in holiday fun activities and provided respite to their parents.

The City has continued to improve access for people with disabilities to its existing services and facilities. The network of paths around the Canning River Regional Park has been significantly extended. Bus stops along the Circle Route have been fitted with tactile pavers to assist people with vision impairments. Research has been carried out regarding access to foreshores, playgrounds and water activities. New and planned Council buildings, including the Lynwood Youth and Family Centre and the Riverton Recreation Complex, have been designed to ensure full accessibility for people with disabilities.

Council information has been made more accessible, with the translation of its most frequently requested information into Braille, audiotape and broadcasting on Information Radio. Disability awareness and skills to assist people with disabilities have been enhanced through training and newsletters. The City's Disability Access Advisory Group continues to provide an opportunity for people with disabilities to take part in consultation and decision making processes.

The City was named as a finalist in the State Government's Action on Access Awards in December 1999 in recognition of its continued work to achieve a fully accessible community in Canning.

* Aged Care Services

The City's Aged Care Services comprising of the following:

- * South Canning Community Care Services
- * Queens Park Community Care Services
- * Home and Community Care Services (HACC)
- * Multicultural Respite Services
- * Meals on Wheels Services
- * Canning Lodge Residential Care Service

continued to provide quality care services such as home respite, centre based respite, carer support, transport, home help, meals, gardening/maintenance and podiatry to seniors and people with disabilities.

Canning's HACC Service is now established and provides a central assessment team that deals with all referrals to the City. Once assessed, clients are then referred to other Aged Care Services provided by the City. Additional HACC funding has resulted in an increase in Home Help hours of 1,794 per annum and an increase of 1,092 hours per annum of Home Respite for the Multicultural Respite Service, thus reducing the number of people on the waiting list.

A new van with a wheelchair hoist at a cost of \$49,131 was purchased for the South Canning Community Care Centre. The van is constantly used for centre based respite, home respite and carer support programmes.

Canning Lodge Hostel is continuing to work towards completing its accreditation programme and will ensure ongoing funding from the Commonwealth Department of Health and Family Services.

The Meals and Wheels Service provides on average 300 meals per day and meets the current needs of the community.

PATROL SERVICES

During the year the Patrol & Security Services continued to provide a 24 hour, 7 day week service to the residents of the City.

A total of 13,504 incidents were recorded and received prompt response. Many favourable comments and expressions of appreciation were received about the service.

Council Officers have also assisted the Police Service in the arrest of several persons involved in criminal activity. Reporting by Council Officers of potential volatile situations to the Police has resulted in prompt action being taken to diffuse the problem. Senior members of the Police Service have expressed an opinion that the security service is playing an important role in crime prevention and detection.

During the year the City made application to the State Government for a grant under the 1999/2000 Safer WA Community Security Programme. This application was successful and the City received \$74,432 subsidy towards the cost of operating its security service.

Patrol and Security Services encourages the community to take advantage of the excellent service offered and welcomes all enquiries or requests for assistance. Officers may be contacted at any time of the day or night by telephoning 9231 0699.



Executive, Managers and Secretary



Stuart Devenish
Executive officer

PLANNING SERVICES

Planning Services provides town planning and development services on behalf of the City. The unit is dedicated to the creation of high quality living and working environments within the City whilst achieving a high level of customer satisfaction and ensuring town planning legislative requirements are observed.

The assessment of development and subdivision proposals in accordance with existing town planning schemes and policies continues to represent the core function of the unit. In this regard significant growth has been seen in the development of additional "in-fill" housing throughout the residential areas of the City.

The refurbishment and major extensions to Westfield Carousel have been completed. In response to continuing development within the City Regional Centre, the City is currently reviewing the existing policies and structure plans for this area. It is intended to initiate a Mainstreet Program throughout the City Centre which will see the redevelopment of many streetscapes and improvement of the amenity of this area. New industrial land in Canning Vale continues to be developed, with further consolidation and redevelopment occurring in other commercial areas throughout the City. Levels of customer service and turnaround times associated with the processing of town planning approvals have continued to improve with increased utilisation and refinement of the City's Integrated Development Application System.

Fundamental to the development control and advisory role of the Planning Service is a program of continued examination and evaluation of practices and processes to ensure the strategic and statutory objectives of the City are achieved. The finalisation and gazettal of Amendment No 74 to the City Zoning Scheme represents a notable example of this review process.

Significant public consultation was undertaken in order to ascertain community attitude towards Amendment No 74 which proposed a reduction in residential housing density throughout the City. Following review and assessment of over 400 public submissions, the Amendment was modified to reflect these community concerns and expectations.

The modified Amendment was submitted to the Minister for Planning and finally adopted and gazetted on 25 August 2000.

The Project Management System has now been operative within the unit for over one year. The System serves to identify, prioritise and action improvements to work processes and strategic directions. In the past year, the unit has successfully completed eight of the identified projects, and has made substantial progress on 13 of the remaining 32 listed tasks.

Of particular interest is the ongoing review of the City Zoning Scheme, Town Planning Scheme No 40. Considerable progress has occurred on the development of the Local Planning Strategy, which will form the basis of the Scheme Review, and works will soon commence on the modification of the Scheme Text and Maps.

Major projects to commence in the next year include the review of Guided Development Scheme No 21, the continued promotion of development of the Canning Regional Centre, and the refinement of existing work practices and computer systems.

ENVIRONMENTAL HEALTH SERVICE

Food Safety

Food safety remains a core function of Health Services and in this regard efforts have continued to encourage food premises proprietors to implement food safety programs into their operations. The "FoodSafe" food training package has been actively embraced by school canteens and child care centres with participation of approximately 50% and 70% respectively. Further, numerous large food manufacturers have implemented HACCP based risk assessment in recognition of their responsibilities to provide "safe food" to the public. From a national level, three new standards dealing with food safety practices, food premises and equipment will become law in February 2001. A fourth standard dealing with food safety programs has been placed on hold pending a study by the Commonwealth Government.

Changing lifestyles and the trends for the public to consume more convenience meals has reinforced the importance of safe food practices both within industry and the household. It has been estimated that approximately one third of every household's budget is spent on food prepared outside the home. Studies have demonstrated that the incidence of food borne disease is increasing and in this regard the public has an important role in keeping a watchful eye on food standards within the community. Residents are encouraged to contact Council if they have doubts about the safety of the food purchased or the standards of a food premises.

The national cost for food poisoning is in the billions. Regardless of the preventative measures put in place to date, in excess of 11,000 people per day suffer from food poisoning. Based on these statistics it is logical to assume that every man, woman and child in Australia will be affected by this disease at some time to some degree.

Disease Control

In response to a decline in immunisation clinic attendance, a review of Council's immunisation program was undertaken. This has resulted in immunisation clinics operating once per month in each of the three wards. Operating times have been extended to provide improved access for patrons and service delivery. For further information contact Council's Health Service or your local child health nurse.

During the year approximately 106 notifiable enteric diseases were investigated. Statistics indicate *Campylobacter* infection being the most dominant enteric disease followed by *Giardiasis* and *Salmonella*. These conditions comprise approximately 74% of all notified enteric diseases for the Perth Metropolitan area and are the primary causes of gastrointestinal disease in the community.

Council's mosquito control program faced additional challenges this year with the influence of "La Nina" causing higher than normal tides and increased flooding of mosquito breeding areas. Mosquito management incorporates environmental and biological control methods in preference to the use of pesticide. In view of the limited window of opportunity for non-chemical techniques, residents are encouraged to contact Health Services as and when mosquito presence is detected. In the majority of cases localised breeding has been identified as the source of the problem and immediate measures can be taken to reduce the nuisance. Residents are reminded of the risk of contracting Ross River Virus and of the need to wear protective clothing and insect repellent if they are exposed to mosquitoes during periods of activity.

Pollution

Over the last four years Council officers have participated in the Industrial Waste Audit Task Group along with representatives of other councils and State Government agencies. A report resulting from that partnership entitled the "Swan Canning Industry Survey Draft Report - Pilot Survey Findings" focuses on positive actions required for pollution prevention in general management practices of light industries for the Swan and Canning rivers and their catchments. The City of Canning has supported the recommendations contained in the report and is continuing involvement in the Industrial Waste Task Group. A positive outcome from the report is that two of Council's officers have now been authorised under the provisions of the Environmental Protection Act to deal with pollution matters from non licensed industrial premises.

BUILDING SERVICES

Building Services administers building control, fencing and signs control, swimming pool inspections and all of the relevant functions normally undertaken by large metropolitan local governments such as the City of Canning.

The Section has considerable cumulative experience and expertise in building related matters and is committed to the highest standards of service to its clients. A five year Strategic Plan, along with a business plan, provides the framework for service delivery.

Building Control

During the past year, Building Services approved 1980 building licence applications with a construction value totalling \$157.1 million. This represents a healthy increase over previous years with the exception of the 1998-1999 period which included the Westfield Carousel redevelopment which in itself was valued at \$89 million.

The Section also dealt with 96 demolition licences and 64 strata title applications during the past year.

Fence Control

Over the year Building Services approved 57 applications for fencing and retaining walls and conducted numerous inspections, generally in relation to complaints received.

Council's Local Law and Policy relating to fencing prescribe standards for fencing in the District. The objective of these documents is to encourage fence designs which will enhance the amenity of the streetscape, whilst maintaining adequate standards of safety and structural adequacy. A review of fencing controls has been undertaken to ensure pertinence with current trends and practices, the results of which are due to be implemented during the current financial year.

NEW BUSINESS VENTURES

Strategic and Regulatory Services is continuing to seek out business opportunities in accordance with Council's strategic policy and business plans. Earlier this year Council successfully tendered for a three year contract for the provision of Environmental Health and Building Services for the Shire of Ngaanyatjarraku in the centre of Australia. Since that time additional services have been offered to various Shire Councils and are currently under consideration.



Executive, Managers and Secretary

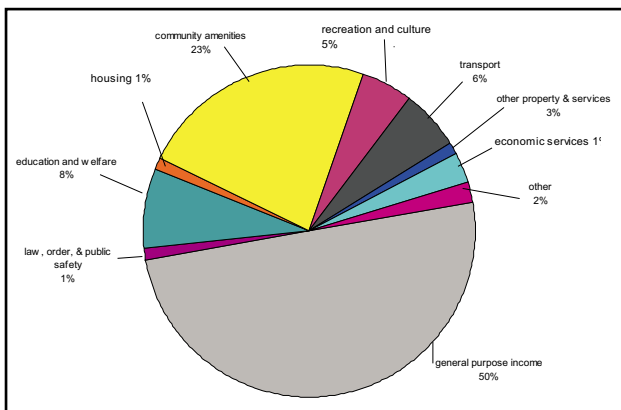
Finance and Client Services Division



Dominic Carbone
Executive Officer

The City of Canning ended the year with an operating surplus before abnormal items of \$10.0M.

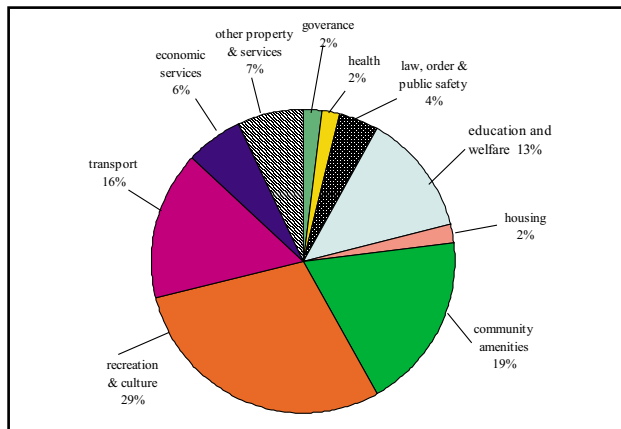
OPERATING REVENUE



Operating Revenue amounted to \$50.3M. General Purpose Income comprising of Rates levied \$22.2M, Interest on Investment \$1.7M, Government Grants \$1.8M and Rates Penalties \$0.2M represents 51% of the City's total revenue.

Expenses incurred amounted to \$40M with Recreation and Culture and Transport utilising 45% of the City's Resources.

OPERATING EXPENSES

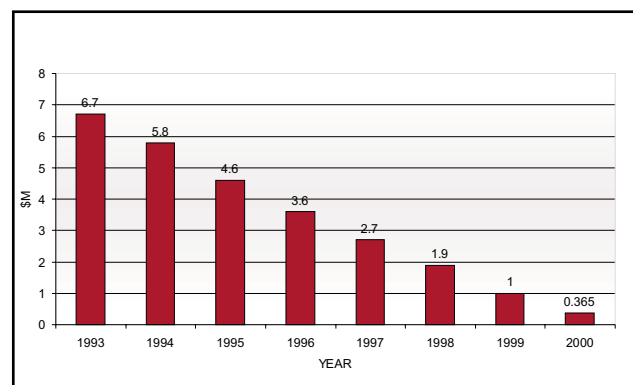


One of the City's main financial objectives is to be Debt Free. The benefits associated with the "Debt Free" concept are:

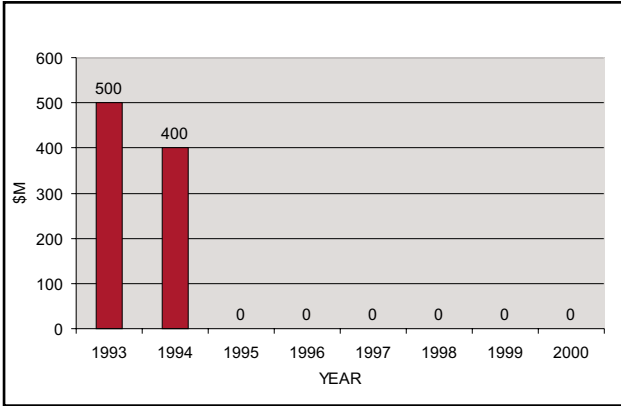
- * Independence from uncontrollable Market Forces such as interest and inflation, which add cost without real benefit.
- * The whole of the Council Revenue being available to meet current expenditure for services and new Capital Works instead of the allocation of funds to the repayments of Loans.
- * Promote efficiency in Planning Resources for major Capital Expenditure.
- * The City has financial control of its destiny and it is not restricted in its Planning and Annual Expenditures occasioned by decisions of the past.
- * Money now paid as interest is saved and available for service and facility programmes and/or for lessening the impact on annual rates levied.

The City's objective is to be Debt Free by the year 2000/2001. The following graphs illustrate the achievements to date.

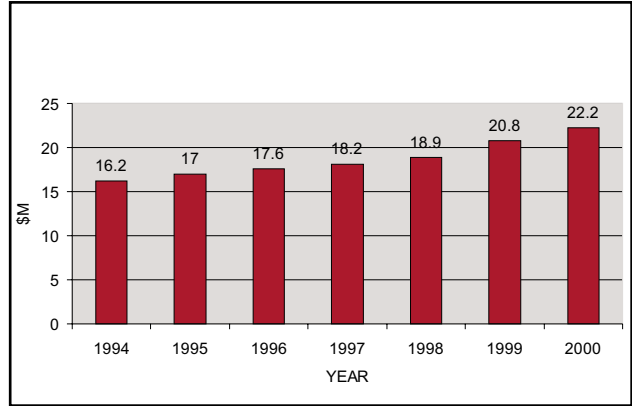
LONG TERM LOANS OUTSTANDING



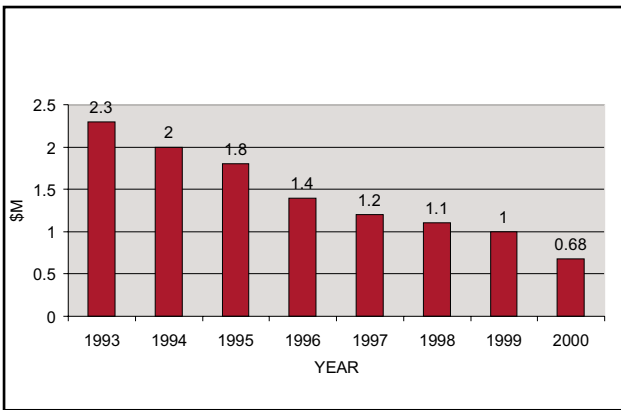
**LONG TERM LOANS RAISED
(EXCLUDING SELF-SUPPORTING LOANS)**



**RATES LEVIED
(GENERAL AND MINIMUM ONLY)**

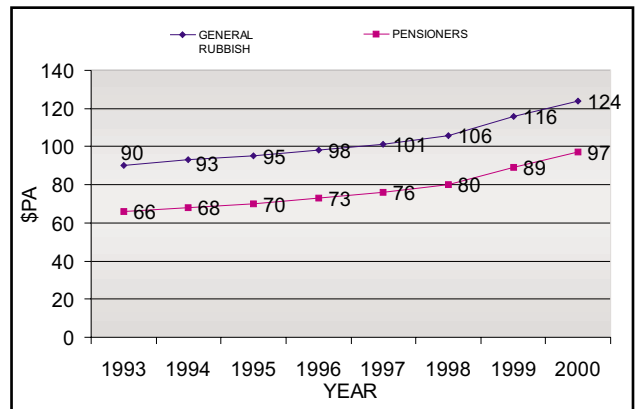


**LONG TERM LOANS REPAYMENTS
(PRINCIPAL AND INTEREST)**

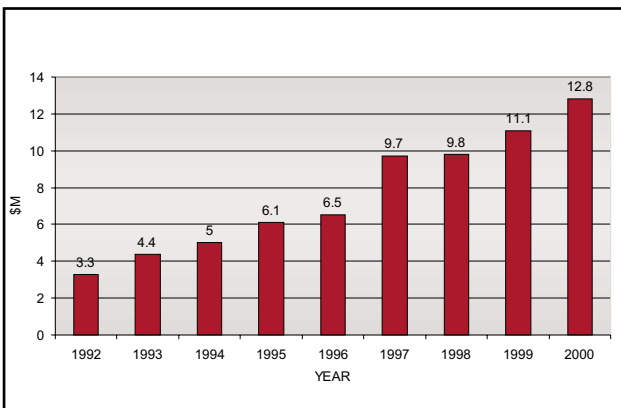


Improved efficiency by placing controls over operating costs; debt free concept and financial restructuring has resulted in more funds being allocated from own resources for capital works and services.

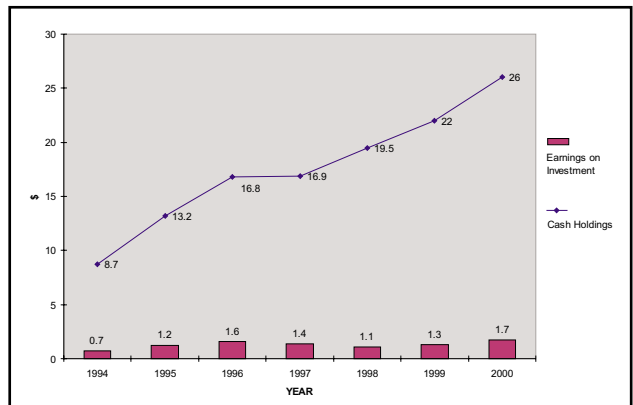
DOMESTIC RUBBISH CHARGES



**FUNDS ALLOCATED FOR CAPITAL
WORKS AND SERVICES**



**INVESTMENT EARNINGS AND
CASH HOLDINGS**



Executive, Managers and Secretary

City of Canning
Financial Statements

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**OPERATING STATEMENT FOR THE PERIOD
ENDED 30 JUNE 2000**

1998/99		NOTES	1999/2000 ADOPTED BUDGET	1999/2000 REVISED BUDGET	1999/2000 ACTUAL
ACTUAL \$			\$	\$	\$
	EXPENDITURE	1,3,4 17,18			
(691,741)	Governance		(782,863)	(782,863)	(819,223)
(1,616,603)	Law, Order, Public Safety		(1,708,307)	(1,702,271)	(1,735,633)
(752,597)	Health		(783,392)	(766,392)	(754,529)
(4,973,858)	Education and Welfare		(5,269,730)	(5,231,497)	(5,265,735)
(531,235)	Housing		(344,698)	(344,698)	(602,685)
(7,522,820)	Community Amenities		(7,783,479)	(7,734,633)	(7,685,794)
(11,460,290)	Recreation and Culture		(10,929,545)	(10,985,894)	(11,680,528)
(15,673,728)	Transport		(5,195,528)	(5,200,000)	(6,626,384)
(521,502)	Economic Services		(2,947,275)	(2,911,091)	(2,308,754)
(4,279,807)	Other Property and Services		(2,772,652)	(2,772,652)	(2,857,169)
(48,024,181)			(38,517,469)	(38,431,991)	(40,336,434)
	REVENUE	1,3,4 15,16			
23,971,555	General Purpose Funding		24,516,123	24,710,588	25,899,281
2,741	Governance		1,000	1,000	29,968
137,562	Law, Order, Public Safety		124,430	124,430	219,189
93,720	Health		92,930	102,445	110,265
3,656,366	Education and Welfare		4,094,069	4,097,288	4,041,609
473,404	Housing		208,000	211,163	593,070
11,155,694	Community Amenities		10,137,075	10,296,264	11,648,875
2,036,871	Recreation and Culture		2,167,755	2,265,255	2,440,840
2,649,524	Transport		2,711,406	2,829,611	2,936,857
566,533	Economic Services		536,217	536,217	704,161
2,923,919	Other Property and Services		1,049,955	1,049,955	1,725,584
47,667,889			45,638,960	46,224,216	50,349,699
(356,292)	<i>Increase/Decrease</i>		<i>7,121,491</i>	<i>7,792,225</i>	<i>10,013,265</i>
	DISPOSAL OF ASSETS	2,6			
16,250	Land		0	0	0
664,926	Plant and Equipment		870,288	868,424	1,020,229
(20,964)	Furniture and Equipment		1,000	1,000	786
(335,383)	Buildings		0	0	0
<i>324,829</i>	<i>Gain (Loss) on Disposal</i>		<i>871,288</i>	<i>869,424</i>	<i>1,021,015</i>
	ABNORMAL ITEMS	1(c)			
(5,173,725)	Infrastructure Assets - Decrement		0	0	(11,097,279)
0	Doubtful Debts Expense		0	0	(75,000)
0	Bad Debts Written Off		0	0	(200)
0	Prior Year Adjustment-Loan Principal		0	0	1,551
0	Goodwill -Sale of Going Concern-Commercial Bulk Bins		0	0	162,400
(5,173,725)	<i>Total Abnormal Items</i>		<i>0</i>	<i>0</i>	<i>(11,008,528)</i>
(5,205,188)	<i>Change in Net Assets resulting from Operations Gain/(Reduction)</i>		<i>7,992,779</i>	<i>8,661,649</i>	<i>25,752</i>

**STATEMENT OF SURPLUS OR DEFICIT
FOR THE PERIOD ENDED 30 JUNE 2000**

1998/99		NOTES	1999/2000 ADOPTED BUDGET \$	1999/2000 REVISED BUDGET \$	1999/2000 ACTUAL \$
ACTUAL					
\$					
(5,205,188)	OPERATING REVENUE				
	Change in net assets resulting from operations		7,992,779	8,661,649	25,752
	Gain/Reduction (Refer Operating Statement)				
	<u>Increase/(Decrease)</u>				
	ADD				
19,742	Principal Repay-Sporting & Community Organisations	7(c)	10,811	10,811	11,749
14,726,612	Depreciation Written Back	18	3,912,743	3,912,743	5,162,476
2,084,348	Book Value of Assets Sold Written Back	6(a)	1,954,727	1,954,727	1,507,733
0	Prior Year Adjustment-Loan Principal				
	Written Back		0	0	(1,551)
5,173,725	Infrastructure Assets Decrement Written Back	1(c)	0	0	11,097,278
22,004,427			5,878,281	5,878,281	17,777,685
16,799,239	Sub Total		13,871,060	14,539,930	17,803,437
	LESS CAPITAL PROGRAMME				
(927,566)	Purchase Land and Buildings	6	(10,662,406)	(10,673,818)	(2,858,664)
(6,487,668)	Infrastructure Assets - Roads	6,8(d)	(9,620,457)	(9,749,876)	(7,588,587)
(973,915)	- Recreation Facilities	6,8(d)	(782,659)	(851,752)	(825,983)
(172,076)	- Other	6,8(d)	(159,754)	(141,154)	(94,505)
(3,628,837)	Purchase Plant & Equipment	6	(6,727,312)	(7,061,540)	(3,991,046)
(366,990)	Purchase Furniture and Equipment	6	(644,219)	(671,442)	(495,659)
	Repayment of Debt				
(850,224)	Debt Service Repayments-Principal on Loans	7(c)	(660,290)	(660,290)	(645,463)
	Transfer to Reserves				
(465,309)	Reserve Fund Waste Management	8(b)	(325,679)	(325,679)	(411,408)
(242,692)	Reserve Fund Land and Buildings	8(a)	(226,000)	(226,000)	(287,871)
(135,775)	Reserve Fund Aged Persons Homes	8(c)	(50,000)	(50,000)	(214,909)
(19,445)	Transfers Other - TPS 23 Scheme	33	0	0	0
(11,133)	Transfers Other - Special Overdraft TPS 24	33	(10,000)	(10,000)	(12,493)
(14,281,630)			(29,868,776)	(30,421,551)	(17,426,588)
2,517,609	Sub Total		(15,997,716)	(15,881,621)	376,849
	LESS - FUNDING FROM				
	Reserves				
359,744	Reserve Fund Waste Management	8(b)	2,188,154	2,188,154	15,753
92,786	Reserve Fund Land and Building	8(a)	62,000	62,000	76,146
157,437	Reserve Fund Aged Persons Homes	8(c)	83,950	113,320	169,764
7,277	Loans	7	2,373,150	2,373,150	1,701,120
8,155,613	Opening Funds	23	11,290,462	11,290,462	11,290,462
8,772,857			15,997,716	16,027,086	13,253,245
(4)	Rounding		0	0	0
11,290,462	BUDGET(SURPLUS)/DEFICIT	23	0	145,465	13,630,094

**STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2000**

1998/1999		NOTES	1999/2000
\$			\$
	CURRENT ASSETS		
407,657	Cash	5	958,854
22,494,378	Investments	5	25,027,239
3,488,124	Receivables	26	3,508,803
165,244	Stock on Hand	27	166,315
4,828	Prepaid Expenses	1(h)	4,828
26,560,231	TOTAL CURRENT ASSETS		29,666,039
	NON CURRENT ASSETS		
261,956,745	Fixed Assets	6(c)	269,090,167
678,864	Receivables	26	690,681
92,562	Development Costs	28	87,604
262,728,171	TOTAL NON CURRENT ASSETS		269,868,452
289,288,402	TOTAL ASSETS		299,534,491
	CURRENT LIABILITIES		
(894,771)	Bank Overdraft	5	0
(2,541,106)	Accounts Payable	29	(3,170,091)
(1,189,600)	Income Received in Advance	29	(1,292,506)
(1,109,479)	Provision for Annual Leave	30	(1,185,108)
(365,582)	Provision for Long Service Leave	30	(390,549)
(251,314)	Provision for Insurance	31	(347,073)
(623,967)	Long Term Borrowings	7	(496,398)
(6,975,819)	TOTAL CURRENT LIABILITIES		(6,881,725)
	NON CURRENT LIABILITIES		
(908,921)	Provision for Long Service	30	(1,031,177)
(2,359,112)	Resident's Equity-Rossmoyne Retirement Village	32	(2,514,782)
(352,434)	Long Term Borrowings	7	(1,532,988)
(414,467)	Development Costs	28	(340,097)
(4,034,934)	TOTAL NON CURRENT LIABILITIES		(5,419,044)
(11,010,753)	TOTAL LIABILITIES		(12,300,769)
278,277,649	EXCESS OF ASSETS OVER LIABILITIES		287,233,722
	EQUITY		
254,495,680	Accumulated Surplus		254,095,432
23,781,969	Reserves	8	33,138,290
278,277,649	TOTAL EQUITY		287,233,722

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR
ENDED 30 JUNE 2000

1998/1999		NOTES	1999/2000
\$			\$
	ACCUMULATED SURPLUS		
248,811,001	Balance As At 1 July 1999		254,495,680
(5,205,187)	Change in Net Assets Resulting from Operations		25,752
	Transfer to Reserves		
(242,692)	- Land and Buildings	8(a)	(287,871)
(465,309)	- Waste Management	8(b)	(411,408)
(135,775)	- Aged Persons Homes	8(c)	(214,909)
11,123,675	Sundry Adjustments	34	226,525
	Transfer from Reserves		
92,786	- Land and Buildings	8(a)	76,146
359,744	- Waste Management	8(b)	15,753
157,437	- Aged Persons Homes	8(c)	169,764
254,495,680	Balance As At 30 June 2000		254,095,432
	LAND AND BUILDING RESERVE		
3,168,554	Balance As At 1 July 1999	8(a)	3,318,460
242,692	Transfers from Accumulated Surplus		287,871
(92,786)	Transfer to Accumulated Surplus		(76,146)
3,318,460	Balance As At 30 June 2000		3,530,185
	WASTE MANAGEMENT RESERVE		
3,603,677	Balance As At 1 July 1999	8(b)	3,709,242
465,309	Transfers from Accumulated Surplus		411,408
(359,744)	Transfer to Accumulated Surplus		(15,753)
3,709,242	Balance As At 30 June 2000		4,104,897
	AGED PERSONS HOMES RESERVE		
1,125,423	Balance As At 1 July 1999	8(c)	1,103,761
135,775	Transfers from Accumulated Surplus		214,909
(157,437)	Transfer to Accumulated Surplus		(169,764)
1,103,761	Balance As At 30 June 2000		1,148,906
	ASSET REVALUATION RESERVE		
14,764,257	Balance As At 1 July 1999	8(d)	15,650,506
886,249	Revaluation of Fixed Assets		8,703,796
15,650,506	Balance As At 30 June 2000		24,354,302
278,277,649	TOTAL EQUITY		287,233,722

**STATEMENT OF CASHFLOWS FOR THE YEAR
ENDING 30 JUNE 2000**

1998/1999 ACTUAL		NOTES	1999/2000 ADOPTED BUDGET	1999/2000 ACTUAL
\$			\$	\$
	Cash Flows from operating activities			
	EXPENDITURE			
(17,019,657)	Employee Costs		(17,297,658)	(17,805,066)
(9,245,999)	Materials and Contracts		(9,288,751)	(8,437,719)
(2,267,238)	Utilities		(2,408,723)	(2,399,845)
(761,075)	Insurance		(572,068)	(521,459)
(153,340)	Interest Expenses		(111,120)	(60,230)
(4,337,103)	Other		(5,243,312)	(5,108,198)
(33,784,412)	TOTAL EXPENDITURE		(34,921,632)	(34,332,517)
	REVENUE			
20,504,850	Rates		21,643,724	22,619,856
5,806,065	Contributions, Donations and Reimbursements		2,989,485	4,440,817
0	Service Charges		59,520	60,043
14,242,077	Fees and Charges		13,551,969	15,212,418
1,225,997	Interest Earnings		1,270,450	1,681,159
264,144	Other Revenue		12,710	523,360
42,043,133	TOTAL REVENUE		39,527,858	44,537,653
8,258,721	Net Cash flows from Operating Activities	9	4,606,226	10,205,136
	Cash flows from investing activities			
	Payments			
(927,566)	Purchase Land and Buildings		(10,662,406)	(2,858,664)
(7,633,659)	Purchase Infrastructure Assets		(10,562,870)	(8,509,075)
(3,628,837)	Purchase Plant and Equipment		(6,727,312)	(3,991,046)
(366,990)	Purchase Furniture and Equipment		(644,219)	(495,659)
(12,557,052)			(28,596,807)	(15,854,444)
	Receipts			
16,250	Disposal of Land	6(a)	0	0
8,111	Disposal of Furniture and Equipment	6(a)	1,000	786
2,384,816	Disposal of Plant and Equipment	6(a)	2,825,015	2,527,962
2,409,177			2,826,015	2,528,748
(10,147,875)	Net cash flows from investing activities		(25,770,792)	(13,325,696)
	Cashflows from Financing Activities			
0	Proceeds from Borrowings		2,360,000	1,700,000
19,742	Principal Repayments Received - Loans	7(c)	10,811	11,749
(850,224)	Loan Repayments- Principal	7(c)	(660,290)	(645,463)
(830,482)			1,710,521	1,066,286
	Cash flows from government			
	Receipts from Grants			
3,931,020	Recurrent		4,072,390	3,135,395
1,279,937	Capital		2,105,637	2,897,711
5,210,957			6,178,027	6,033,106
2,491,321	Net (decrease)/increase in cash held		(13,276,018)	3,978,832
19,515,947	Cash at the Beginning of Reporting Period		22,006,811	22,007,264
(4)	Rounding			(4)
22,007,264	Cash at the End of Reporting Period	9	8,730,793	25,986,092

City of Canning

RATE SETTING STATEMENT FOR THE YEAR ENDING 30 JUNE 2000

1998/1999		NOTES	1999/2000 ADOPTED BUDGET \$	1999/2000 REVISED BUDGET \$	1999/2000 ACTUAL \$
ACTUAL					
\$					
	OPERATING REVENUE	1,3,4			
3,078,090	General Purpose Funding		3,049,735	3,244,200	3,493,538
2,741	Governance		1,000	1,000	29,968
137,562	Law, Order, Public Safety		124,430	124,430	219,189
93,720	Health		92,930	102,445	110,265
3,656,366	Education and Welfare		4,094,069	4,097,288	4,041,609
473,404	Housing		208,000	211,163	593,070
11,155,694	Community Amenities		10,137,075	10,296,264	11,648,875
1,933,848	Recreation and Culture		2,083,940	2,181,440	2,352,088
2,649,524	Transport		2,711,406	2,829,611	2,936,857
566,533	Economic Services		536,217	536,217	704,161
2,923,919	Other Property and Services		1,049,955	1,049,955	1,725,584
26,671,401			24,088,757	24,674,013	27,855,204
	LESS OPERATING EXPENDITURE	1,3,4			
(691,740)	Governance	17,18	(782,863)	(782,863)	(819,223)
(1,616,603)	Law, Order, Public Safety		(1,708,307)	(1,702,271)	(1,735,633)
(752,597)	Health		(783,392)	(766,392)	(754,529)
(4,973,859)	Education and Welfare		(5,269,730)	(5,231,497)	(5,265,735)
(531,235)	Housing		(344,698)	(344,698)	(602,685)
(7,522,820)	Community Amenities		(7,783,479)	(7,734,633)	(7,685,794)
(11,460,290)	Recreation and Culture		(10,929,545)	(10,985,894)	(11,680,528)
(15,673,728)	Transport		(5,195,528)	(5,200,000)	(6,626,384)
(521,502)	Economic Services		(2,947,275)	(2,911,091)	(2,308,754)
(4,279,807)	Other Property and Services		(2,772,652)	(2,772,652)	(2,857,169)
(48,024,181)			(38,517,469)	(38,431,991)	(40,336,434)
(21,352,780)			(14,428,712)	(13,757,978)	(12,481,230)
	ABNORMAL ITEMS				
(5,173,724)	Infrastructure Assets - Decrement	1(c)	0	0	(11,097,279)
0	Doubtful Debts Expense		0	0	(75,000)
0	Bad Debts Written Off		0	0	(200)
0	Prior Year Adjustment-Loan Principal		0	0	1,551
0	Goodwill-Sale of Going Concern-Commercial Bulk Bins		0	0	162,400
(26,526,504)			(14,428,712)	(13,757,978)	(23,489,758)
	ADD				
0	Prior Year Adjustment-Loan Principal Written Back		0	0	(1,551)
5,173,724	Infrastructure Assets Decrement Written Back	1(c)	0	0	11,097,279
19,742	Principal Repay-Sporting & Community Organisations	7(c)	10,811	10,811	11,749
324,829	Profit/(Loss) on Disposal of Assets	2,6	871,288	869,424	1,021,015
14,726,612	Depreciation Written Back	18	3,912,743	3,912,743	5,162,476
2,084,348	Book Value of Assets Sold Written Back	6(a)	1,954,727	1,954,727	1,507,733
(4,197,249)			(7,679,143)	(7,010,273)	(4,691,057)
	LESS CAPITAL PROGRAMME				
(927,566)	Purchase Land and Buildings	6	(10,662,406)	(10,673,818)	(2,858,664)
(6,487,668)	Infrastructure Assets -Roads	6,8(d)	(9,620,457)	(9,749,876)	(7,588,587)
(973,915)	-Recreation Facilites	6,8(d)	(782,659)	(851,752)	(825,983)
(172,076)	-Other	6,8(d)	(159,754)	(141,154)	(94,505)
(3,628,837)	Purchase Plant & Equipment	6	(6,727,312)	(7,061,540)	(3,991,046)
(366,990)	Purchase Furniture & Equipment	6	(644,219)	(671,442)	(495,659)
(850,224)	Repayment of Debt-Principal	7(c)	(660,290)	(660,290)	(645,463)
(843,775)	Transfers to Reserves	8	(601,679)	(601,679)	(914,188)
(30,578)	Transfers Other	33	(10,000)	(10,000)	(12,493)
(18,478,878)			(37,547,919)	(37,431,824)	(22,117,645)
	LESS - FUNDING FROM				
609,967	Reserves	8	2,334,104	2,363,474	261,663
7,277	Loans	7	2,373,150	2,373,150	1,701,120
8,155,613	Opening Funds	23	11,290,462	11,290,462	11,290,462
(11,290,462)	Closing Funds	23	0	(145,465)	(13,630,094)
(3)	Rounding		0	0	(1)
(20,996,486)			(21,550,203)	(21,550,203)	(22,494,495)
	TO BE MADE UP FROM RATES				

**STATEMENT OF RATING INFORMATION
FOR THE YEAR ENDING 30 JUNE 2000**

	CURRENT YEAR ESTIMATED 1999/2000										CURRENT YEAR ACTUAL 1999/2000									
	GENERAL RATE					MINIMUM RATE					GENERAL RATE					MINIMUM RATE				
	No. of Props.	Rateable Value \$	GRV Rate in \$	Rate Yield \$	No	Minimum Rateable \$	Min Rate \$	Yield \$	TOTAL \$	No. of Props	Rateable Value \$	GRV Rate in \$	Rate Yield \$	No	Minimum Rateable \$	Min Rate \$	Yield \$	TOTAL \$		
General Rate GRV	20,313	309,196,723	0.0571	17,655,138				17,655,138		20,063	319,335,309	0.0571	18,234,044					18,234,044		
Minimum Rate (2)					10,175	52,778,024	350	3,561,250	3,561,250					8,988	47,201,948	350	3,145,800	3,145,800		
Interim Rates-General - Minimum Rate								120,000										828,701		
								30,000										30,000		
Pensioners Deferred Rates (Non Current Portion)								0												
Interest on Late Payment - General Rate								85,000										152,198		
- Minimum Rate								15,000										15,000		
SUB TOTAL GENERAL RATE	20,313	309,196,723		17,655,138	10,175	52,778,024		21,466,388	3,561,250	20,063	319,335,309		18,234,044	8,988	47,201,948		3,145,800	22,405,743		
SPECIFIED AREA																				
Canning Vale POS	2,095	20,294,183	0.00413	83,815				83,815		2,093	20,415,792	0.00413	84,318					84,318		
Canning Vale POS - Interim Rates																		4,434		
SUB TOTAL SPECIFIED AREA	2,095	20,294,183		83,815				83,815		2,093	20,415,792		84,318					88,752		
GRAND TOTAL	22,408	329,490,906		17,738,953	10,175	52,778,024		21,550,203	3,561,250	22,156	339,751,101		18,318,362	8,988	47,201,948		3,145,800	22,494,495		

NOTE: (1) THE OBJECTS AND REASONS FOR GENERAL AND MINIMUM RATE (2) RATES LEVIED IF NO MINIMUM RATE OF \$350PA WAS IMPOSED

Formula
 Council has imposed a general rate of 0.0571 cents in the Dollar and minimum rate of \$350pa, as Council perceives it to be a "reasonable" minimum level of rates which all ratepayers in its district should pay. The minimum rate reflects the basic cost incurred by the Council in servicing each lot or dwelling in its district.

Total GRV Applicable to Properties that Minimum Rate applies (\$47,201,948) X 0.0571 = \$2,695,231

NOTES



**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 30 JUNE 2000**

(1) SIGNIFICANT ACCOUNTING POLICIES

The significant policies which have been adopted in the preparation of these Financial Statements are:

(a) Basis of Accounting

The financial statements are a general purpose financial report which have been prepared in accordance with applicable accounting standards and other mandatory professional reporting requirements and the Local Government Act 1995 including the Local Government (financial Management) regulations. The financial statements have also been prepared on the basis of historical costs and do not take into account changing money values, or, except where stated, current valuations of non-current assets. The accounting policies have been consistently applied, unless otherwise stated.

Local Governments are not required to comply with the following Australian Accounting Standards:

AAS 16 "Financial Reporting by Segments"

AAS 22 "Related Party Disclosures"

(b) The Local Government Reporting Entity

The Financial Statements forming part of this report has been prepared on the basis of five funds (Municipal, Reserve, Loan Capital, Trading and Trust Funds). For the purposes of reporting the Municipality authority as a single unit, all transactions and balances in respect to the Municipal, Loan, Reserve and Trading Funds have been consolidated. Certain monies held in the Trust Fund have been excluded from the consolidated Financial Statements, but a separate Statement of those monies appear at Note 10.

(c) Non-Current Assets - Valuation and Depreciation

Council's Policy in relation to the valuation and depreciation of Council Assets is as follows:

The Assets include:

- Land and Buildings
- Furniture and Equipment
- Plant and Equipment
- Infrastructure Assets-
 - Roads
 - Roads
 - Footpaths
 - Drainage
 - Signs
 - Streets
 - Parking
 - Bus Shelters
 - Bridges

Recreation Facilities

- Playing Fields
- Passive Parklands
- Reticulation and Irrigation
- Lighting
- Fences
- Play Equipment and Facilities
- BBQ and Park Furniture

Other

- Carparks

The values of the above-mentioned Assets are based on the following:

In the 1999/2000 financial year, the City engaged Australian Property Consultants, Licenced Valuers, to value Council's Land and Building Assets as at the 30th June 2000. Richard A Blow and Associates, Valuers and Consultants were engaged to value Council's Furniture and Equipment Assets as at the 30th June 2000. All Plant and Equipment and Tools have been recorded at cost irrespective of the purchase date.

From 1st July 1997, Council increased its minimum Asset Capitalisation Threshold from \$100 to \$1,000.

- Land

- (i) Non Commercial Purposes (Recreation, Public Open Space, Roads and Drainage Construction) to be recorded at \$100 per holding.
- (ii) Commercial Purposes - Independent assessments to be obtained at 4 yearly intervals of the Fair Market Value of Land based on existing use which was undertaken in the 1999/2000 financial year and will be amended for the remaining 3 years by the additional historical cost value of land purchases.

- Buildings, Furniture and Equipment

Independent assessments to be obtained on 4 year intervals which was undertaken in the 1999/2000 financial year based on the replacement cost of the Asset. These values to be incorporated in the Financial Records and for the remaining three years will be amended by the additional historical cost of new purchases.

- Plant and Equipment

Acquisitions are recorded at historical cost due to the frequent changeover of Council's Plant and Equipment.

- Infrastructure Assets

Infrastructure Assets Valuation Policy

Where the annual valuation derived for the Infrastructure Asset models varies to the opening balance brought forward plus the actual amount expended on construction or purchase for each Asset class, the net increment or decrement in respect of that class compared to the Valuation Model will be accounted for as follows:

- (a) If the annual valuation amount derived from the model exceeds the opening balance brought forward plus the actual amount expended on construction or purchase for each Asset class the Increment will be credited directly to the Asset Valuation Reserve - except to the extent that the increment reverses a re-valuation decrement previously recognised as an expense in the Operating Statement in respect of that same class of Asset, it must be recognised as revenue in the Operating Statement for the period, and

- (b) If the annual valuation amount derived from the Model is less than the opening balance brought forward plus the actual amount expended on construction or purchase for each Asset class the decrement will be recognised as an expense in the Operating Statement -except to the extent that such a decrement reverses a re-valuation increment previously credited to, and still included in the balance of the Asset Revaluation Reserve in respect of that class, in this situation it will be debited directly to the Asset Revaluation Reserve.

Asset class increments and decrements shall be offset against one another within a class of non-current Assets, but shall not be offset in respect of different classes of non-current Assets.

Values of Infrastructure Assets are recorded based on models used to value each class of Infrastructure Assets on an annual basis as detailed below.

Infrastructure Asset Classes

Infrastructure Assets Roads includes:

- Roads

The Pavement and Road Management Maintenance System (PARMMS) is the method used by Council to value its Road Network. The class of Asset is valued at Replacement Cost and depreciated after taking into account the condition of the roads. Physical inspections and condition testing of the Road Network are continually undertaken.

- Footpaths

The Valuations of Footpaths are based on Replacement Cost and Depreciation is calculated on its useful life.

- Drainage

The Valuation of Drainage is based on Replacement Cost and Depreciation is calculated on its useful life.

- Signs** - Parking
- Street

The Valuation of Signs is based on Replacement Cost and Depreciation is calculated on its useful life.

Infrastructure Assets Recreation Facilities includes:

- Bus Shelters

The Valuation of Bus Shelters is based on Replacement Cost and Depreciation is calculated on its useful life.

- Recreation Facilities - Playing Fields

The Valuation of Playing Fields is based on current Development Costs to develop land to Playing Fields.

- Passive Parklands

The Valuation of Parklands is based on current Development Costs to develop land to Passive Recreational Facilities.

-Reticulation and Irrigation

The Valuation of Reticulation and Irrigation is based on Replacement Cost and Depreciation is calculated on its useful life.

- Lighting

The Valuation of Lighting is based on Replacement Cost and Depreciation is calculated on its useful life.

- Fences

The Valuation of Fences is based on Replacement Cost and Depreciation is calculated based on annual condition assessments which are continually undertaken.

- Play Equipment and Facilities

The Valuation of Play Equipment and Facilities is based on Replacement Cost and Depreciation is calculated on its useful life.

- Barbecues and Park Furniture

The Valuation of Barbecues and Park Furniture is based on Replacement Cost and Depreciation is calculated on its useful life.

Infrastructure Assets Other includes:

- Other - Carparks

The Valuation of Carparks is based on Replacement Cost and Depreciation is calculated on its useful life

Depreciation

All property (excluding land), plant and equipment and tools are depreciated over their useful lives on a straight line basis as follows:

Buildings	2-60 years
Tools	5 years
Plant and Equipment	
- Mobile Plant and Vehicles	5 years
- Other Plant	8 years
Furniture and Equipment	10 years

For the 1999/2000 financial year, buildings have been recorded as per independent valuations and will be depreciated over the remainder of their useful life. During subsequent years depreciation is calculated as determined by the independent assessment to be obtained on 4 year intervals which commenced in the 1999/2000 financial year. Buildings constructed in between independent assessments are depreciated according to Officers estimate of their useful lives.

Infrastructure

Roads	
- Roads	Condition Rated Annually
- Footpaths	50 years
- Drainage	75 years
- Signs	
Streets	15 years
Parking	10 years
- Bus Shelters	20 years

Recreation Facilities

- Playing Fields	Not Depreciated
- Passive Parklands	Not Depreciated
- Reticulation and Irrigation	25 years
- Lighting	40 years
- Fences	Condition Rated Annually
- Play Equipment and Facilities	10 to 15 years
- BBQ and Park Furniture	5 to 10 years
Other - Carparks	20 years

(d) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the City of Canning 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. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured, and the timing of commencement of control depends upon the arrangements that exist between the grantor and the City of Canning.

Unreceived contributions over which the City of Canning has control are recognised as receivables.

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 5. That note also discloses the amount of contributions recognised as revenues in a previous reporting period which were obtained in respect of the City of Canning's operations for the current reporting period.

The rating and reporting period coincides with rates levied for the year and recognised as revenues. All outstanding rates are collectable and therefore no provision has been made for doubtful debts.

(e) Employee Benefits

The amounts expected to be paid to Employees for their pro-rata entitlements to Long Service and Annual Leave are accrued annually as follows:

Annual and Special Leave - accumulated to the last anniversary date from the commencement of employment, less leave taken. Leave untaken at balance date is expressed as a liability by utilising the rate of pay applicable at 30 June 2000 plus applicable salary and wage oncost.

Long Service Leave - computed in accordance with the provisions of the Local Government (Long Service Leave) Amendment Regulations 1983 and Australian Accounting Standard 30 (AAS30).

The provision for employees entitlements to Long Service Leave represents the present value of the estimated future cash outflows to be made by the City resulting from employees who have worked with the City for 12 months or more.

Liabilities for employee entitlements which are not expected to be settled within 12 months are discounted using the rates attached to the Commonwealth Bond rates at balance date, which most closely match the terms of maturity of the related liability.

In determining the liability for employee entitlements, consideration has been given to future increases in wage and salary rate. Related on-costs for superannuation and workers compensation have also been included in the calculations.

(f) Superannuation

The Municipality contributes to the Local Government Superannuation Fund. Contributions for 1999/2000 were 7% for Superannuation Guarantee Charge (Compulsory Scheme) and 5.5% for the Voluntary Contribution Scheme. Contributions are charged as an expense.

(g) Investments

All Investments are valued at cost and interest on those investments is recognised when accrued.

(h) Prepaid Expenses

Prepaid Expenses relate to the operations of Canning Lodge, which Council assumed responsibility from the Association of the Blind.

(i) Stock on Hand

Stocks on hand of materials and stores are valued at cost. Materials are issued to works on basis of cost.

(j) Cash

For the purpose of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments, net of outstanding bank overdrafts.

(k) Land held for Resale

The Municipality is not currently holding any land for resale.

(l) Leases

The Municipality was not a party to any finance or operating leases for the 1999/2000 financial year.

(m) Joint Ventures

The Municipality was not a party to any joint ventures for the 1999/2000 financial year.

(n) Comparative Information

Comparative Information has been included in the Financial Statements. This comparative information is compiled on the same basis each year.

(o) Changes in Accounting Policy

The Accounting Policies adopted for the Financial Statements are consistent with those of the previous Reporting Period.

2 OPERATING, REVENUES AND EXPENSES

The Operating Revenue and Expenses as reported in the Financial Statements includes:

<u>ACTUAL</u> <u>1998/99</u>		<u>ADOPTED</u> <u>BUDGET</u> <u>1999/2000</u>	<u>ACTUAL</u> <u>1999/2000</u>
\$		\$	\$
	Charging as Expenses		
<u>14,726,612</u>	Depreciation on Non-Current Assets	<u>3,912,743</u>	<u>5,162,476</u>
	Crediting as Income		
	Profit(Loss) on Sale of Non-Current Assets		
16,250	Land	0	0
664,926	Plant and Equipment	870,288	1,020,229
(20,964)	Furniture and Equipment	1,000	786
<u>(335,383)</u>	Buildings	<u>0</u>	<u>0</u>
<u>324,829</u>		<u>871,288</u>	<u>1,021,015</u>

3. DESCRIPTION OF FUNCTIONS/ACTIVITIES

The City of Canning's Mission Statement reflects the views of where the City is currently positioned as far as its operations are concerned.

It reads:

"The principal activities of Council for the Local Government of the City of Canning covers the provisions of law, order, public safety services, education services, health services, welfare services, housing services, community amenities, recreation and cultural services, transport services, economic services, and other property services as permitted under the Local Government Act or other written law".

Description of Programs

General Purpose Funding

Rates Levied, Interest on Late Payment of Rates, General Purpose Grants and Interest Received on Investments.

Governance

Member of Council Allowances and Reimbursements, Civic Functions, Election Expenses, and Administration Expenses.

Law, Order, Public Safety

Supervision of various Local Laws, Fire Prevention, Animal Control, Ranger and Security Services, Impounding of Vehicles and Emergency Services.

Health

Environmental Health, Food Control, Pest Control, Immunisation Services and Maintenance of Maternal Infant Health Clinics.

Education and Welfare

Pre-Schools and other Education. Care of Families and Children, Senior Citizens Centres, Day Care Centres, Meals on Wheels, Home Help, Transport Services, Family Support and Multicultural Centre Activities.

Housing

Aged Persons Residence, Accommodation for People with Disabilities and Staff Housing.

Community Amenities

Refuse Collection Services, Landfill Site Operations, Protection of the Environment. Administration of the Town Planning Scheme and Urban Stormwater and Drainage Works.

Recreation and Culture

Maintenance of Halls, Swimming Pool, Recreation Centres, Reserves, Libraries, Golfcourse, Recreation Equipment Hire and Other Culture.

Transport

Maintenance of Roads, Drainage Works, Footpaths, Street Lighting, Parking Facilities, Crossovers, Verge Maintenance and Street Sweeping.

Economic Services

Weed Control, Area Promotion, Implementation of Building Controls, Swimming Pool Inspections, Plant Nursery Operations and Concrete Batching Operations.

Other Property and Services

Private Works, Town Planning Schemes, Public Works Overheads, Plant Operations, Materials, Salaries and Wages Controls and Other Unclassified Activities.

4. OPERATING REVENUES AND EXPENSES

Operating expenses and revenues classified according to nature and type.

<u>ACTUAL</u> <u>1998/99</u>		<u>ADOPTED</u> <u>BUDGET</u>	<u>ACTUAL</u>
\$		1999/2000	1999/2000
		\$	\$
	Operating Expenses		
17,036,836	Employee Costs	17,440,372	17,998,034
8,601,479	Materials and Contracts	8,773,509	9,030,400
14,726,612	Depreciation of Non-Current Assets	3,912,743	5,162,476
2,353,165	Utility Charges (Gas, Electricity, Water, etc)	2,388,462	2,411,994
824,220	Insurance Expenses	652,068	617,218
144,766	Interest Expenses	107,003	83,314
356,347	Loss on Sale of Assets	0	0
4,337,103	Other Expenditure	5,243,312	5,032,998
<u>48,380,528</u>	Agree with Operating Statement	<u>38,517,469</u>	<u>40,336,434</u>
	Operating Revenues		
20,996,486	Rates - General	21,550,203	22,493,727
1,275,569	Interest Earned	1,255,000	1,702,896
5,412,389	Grants and Subsidies	6,152,465	6,245,898
5,230,402	Contributions, Reimbursement & Donations	3,164,244	4,329,106
0	Service Charges	59,520	60,043
14,482,886	Fees and Charges	13,422,762	15,093,140
681,176	Profit on Sale of Assets	871,288	1,021,015
270,157	Other Revenue/Income	34,766	424,889
<u>48,349,065</u>	Agreed with Operating Statement	<u>46,510,248</u>	<u>51,370,714</u>

5. CASH AND RESTRICTED FUNDS

<u>ACTUAL</u> <u>1998/99</u> \$		<u>ADOPTED</u> <u>BUDGET</u> <u>1999/2000</u> \$	<u>ACTUAL</u> <u>1999/2000</u> \$
8,595	Cash on Hand	8,595	8,695
399,062	Cash at Bank	191,405	950,159
<u>407,657</u>	Total Cash - Sub Total	<u>200,000</u>	<u>958,854</u>
(894,771)	Bank Overdraft	0	0
22,494,378	Investments	8,530,793	25,027,239
<u>22,007,264</u>	Represented by:-	<u>8,730,793</u>	<u>25,986,093</u>
8,393,066	Restricted Cash	6,657,491	9,056,966
13,614,198	Unrestricted	<u>2,073,302</u>	<u>16,929,127</u>
<u>22,007,264</u>		<u>8,730,793</u>	<u>25,986,093</u>

The following restrictions have been imposed by regulations or other imposed requirements:

<u>ACTUAL</u> <u>1998/99</u> \$		<u>ACTUAL</u> <u>1999/2000</u> \$
570,904	Crossover Construction Fees	814,224
116,735	Storm Water Connection Fees	119,724
334,086	Pre Paid Private Works	199,489
13,150	Loan Fund - Unspent (Restricted Cash)	12,029
1,103,761	Reserve Fund - Aged Persons Homes (Restricted Cash)	1,148,905
3,318,459	Reserve Fund - Land and Buildings (Restricted Cash)	3,530,183
3,709,242	Reserve Fund - Waste Management (Restricted Cash)	4,104,897
248,454	Other - (Town Planning Scheme 23 and 24) (Restricted Cash)	260,949
<u>9,414,791</u>		<u>10,190,400</u>

Investments held at balance date include an amount of \$12,589.37 not yet recovered from the Permanent Investment Building Society. The Government of Western Australia appointed an Administrator/Liquidator to investigate and wind down the affairs of the Society. It is expected that a fourth and final dividend will be paid in the 2000/2001 financial year, pending the successful outcome of legal action, it is anticipated the above amount outstanding will be recovered in full.

The following details Grants recognised as revenues during the financial year in respect of which expenditure had not been made and is to be carried forward and expenditure incurred in the 2000/2001 financial year:

- Main Roads Department Specific Road Grant	171,640
- Main Roads Department Blackspot Grant	121,615
- HACC Equipment Grant South Canning Day Care Centre	4,500
- Safer WA Program Youth Services	25,000
- WA Department Training and Employment BMX Facility	5,000

6. (A) COUNCIL ASSETS

In accordance with Financial Management Regulation 36(1)(e), the following information is provided in relation to the disposal of Assets by Asset Class:

	<u>Proceeds</u>		<u>Written Down</u>		<u>Gain(Loss)</u>	
	<u>Sale of Assets</u>		<u>Value</u>		<u>on Disposal</u>	
	<u>1999/00</u>	<u>1999/00</u>	<u>1999/00</u>	<u>1999/00</u>	<u>1999/00</u>	<u>1999/00</u>
	<u>Adopted</u>	<u>Adopted</u>	<u>Adopted</u>	<u>Adopted</u>	<u>Adopted</u>	<u>Adopted</u>
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
	\$	\$	\$	\$	\$	\$
Asset by Class						
Furniture and Equipment	1,000	786	0	0	1,000	786
Plant and Equipment	2,825,015	2,527,962	1,954,727	1,507,733	870,288	1,020,229
TOTAL BY CLASS OF ASSETS	2,826,015	2,528,748	1,954,727	1,507,733	871,288	1,021,015

(B) BORROWING COSTS INCURRED AND CAPITALISED AS PART OF A QUALIFYING ASSET

No Borrowing Costs were incorporated in the Financial Statement as Assets purchased are to be funded from General Purpose Funding.

6. (C) FIXED ASSETS CLASSIFIED ACCORDING TO CLASS

<u>ACTUAL</u> <u>1998/1999</u>			<u>ACTUAL</u> <u>1999/2000</u>	
\$	\$		\$	\$
	12,036,600	Land		23,965,500
53,576,354		Buildings	55,662,690	
<u>(10,399,261)</u>	43,177,093	Less Accumulated Depreciation	<u>(17,932,935)</u>	37,729,755
3,952,504		Furniture and Fittings	10,228,500	
<u>(1,692,566)</u>	2,259,938	Less Accumulated Depreciation	<u>(8,276,500)</u>	1,952,000
11,474,941		Plant and Equipment (at cost)	11,569,199	
<u>(6,076,608)</u>	5,398,333	Less Accumulated Depreciation	<u>(5,426,103)</u>	6,143,096
92,516		Tools (at cost)	92,516	
<u>(89,511)</u>	3,005	Less Accumulated Depreciation	<u>(92,516)</u>	0
		<u>Infrastructure Assets</u>		
222,084,877		Roads	224,002,845	
<u>(58,761,950)</u>	163,322,927	Less Accumulated Depreciation	<u>(60,399,448)</u>	163,603,397
38,303,273		Recreation Facilities	38,790,500	
<u>(4,995,620)</u>	33,307,653	Less Accumulated Depreciation	<u>(5,497,956)</u>	33,292,544
2,957,550		Other	2,957,550	
<u>(506,354)</u>	<u>2,451,196</u>	Less Accumulated Depreciation	<u>(553,675)</u>	<u>2,403,875</u>
	<u>261,956,745</u>	TOTAL FIXED ASSETS		<u>269,090,167</u>

For further details on Council's Policy on Accounting for Fixed Assets refer to Note 1(c) on Page 27 - "Non-Current Assets - Valuations and Depreciation".

6. (D) ASSETS CLASSIFIED BY PROGRAM

Council's Assets classified by Program are summarised as follows:

Program	Land	Buildings W.D.V	Furniture and Equipment	Plant and Equipment	Infrastructure	All Other Assets	Total By Program
	\$	\$	\$	\$	\$	\$	\$
Governance	0	5,660,860	292,872	921,691	0	1,631,431	8,506,854
Law, Order & Public Safety	263,615	370,506	19,168	60,325	0	64,103	777,717
Health	0	268,484	13,890	43,714	0	34,020	360,108
Education & Welfare	670,985	2,031,256	105,089	330,726	0	0	3,138,056
Housing	1,725,446	1,022,363	52,894	166,459	0	16,485	2,983,647
Community Amenities	2,899,769	5,381,395	278,414	876,190	0	540,559	9,976,327
Recreation & Culture	10,425,349	10,131,912	524,188	1,649,659	35,696,419	83,244	58,510,771
Transport	0	2,957,674	153,019	481,563	163,603,397	0	167,195,653
Economic Services	0	191,667	9,918	31,207	0	0	232,792
Other Property & Services	7,980,336	9,713,638	502,548	1,581,562	0	787,673	20,565,757
No Specific Program Allocation	0	0	0	0	0	27,286,809	27,286,809
TOTAL	23,965,500	37,729,755	1,952,000	6,143,096	199,299,816	30,444,324	299,534,491

The following buildings, included in the above figures are restricted assets:

176 Gibbs Street, East Cannington	) The properties are held under a Deed	62,000
178 Gibbs Street, East Cannington	) Management from the State Planning	64,000
305 Welshpool Road, Welshpool	) Commission for a period of 25 years	135,000
	) commencing from 1st October 1991	52,000
12/1179 Albany Highway, Bentley	) The properties are held under Deeds	32,000
76 Hamilton Street, Cannington	) of Trust with Caveats lodged on the	46,000
12 Allen Court, Queens Park	) Certificate of Title to prevent any	60,000
12/152 Hamilton Street, Cannington	) dealings	85,000
8 Blenny Close, Cannington		
		536,000

7. BORROWINGS INFORMATION

(a) In accordance with Financial Management Regulation 48 the unspent balance of money borrowed in previous years is summarised as follows:

Loan No.	Date Raised	Purpose	Opening Balance 01.07.99	Funds Spent 1999/00	Closing Balance 30.06.00
			\$	\$	\$
		<u>Community Amenities</u>			
228	5/6/92	Canning Regional Centre Studies	12,409	1,120	11,289
		<u>Transport</u>			
214	25/1/89	Footpath Construction - Nicol Road	741	0	741
TOTAL			13,150	1,120	12,030

(b) Loans Raised in Financial Year

The following new Loan was raised during the 1999/2000 financial year:

	ADOPTED BUDGET 1999/2000	ACTUAL 1999/2000
	\$	\$
Loan No. 235 - Underground Power Rossmoyne (Self-Supporting)		

The City proposed to borrow the sum of \$2,360,000 for a term of 10 years.

Funds required for the project:

The Project Cost	2,360,000
LESS Loan raised in 1999/2000	1,700,000
LESS contributions received by the Participates (Lump Sum Payments)	149,425

Balance of Loan Funds required in 2000/01 510,575

Total Interest Payable	23,197	23,197
Total Principal Payable	36,323	36,323
Total Repayment	<u>59,520</u>	<u>59,520</u>
Amount Borrowed	2,360,000	1,700,000
Amount Expended	2,360,000	1,700,000
CLOSING BALANCE	<u>Nil</u>	<u>Nil</u>

(c) Loan Repayments

Council's Loan Liability is summarised as follows:

Program	Loan No.	Principal 01.07.99	Loans Raised 1999/00	Interest		Loan Repayment		Principal 30/6/2000
				Adopted Budget 1999/00	Actual 1999/00	Adopted Budget 1999/00	Actual 1999/00	
		\$	\$	\$	\$	\$	\$	\$
Recreation & Culture								
QP Recreation Centre	162(3)	5,731		309	309	5,731	5,731	0
Club Building Burrendah	171	44,085		4,208	4,208	44,085	44,085	0
Changerooms Burrendah Res.	200	49,968		5,382	5,382	49,968	49,968	0
Willetton-Burrendah Reserve	203	51,659		5,604	5,604	51,659	51,659	0
Canning Sports Club Building	225	17,715		1,516	1,517	6,601	6,601	11,114
Corinthian Lawn Tennis Club	232	17,056		863	863	17,056	17,056	0
Shelley Sailing Club-Improvements	234	20,076		1,985	1,986	2,880	2,880	
						0	* 1,551	15,645
Transport								
Road Construction	219	84,498		6,356	4,579	82,723	84,498	0
Plant Purchase	221	33,799		2,541	1,832	33,089	33,799	0
Plant Purchase	222	59,685		5,183	4,148	51,518	28,597	31,088
Road Construction	223	164,135		13,032	11,407	77,017	78,642	85,493
Road Construction	226	159,331		12,335	10,795	74,882	76,422	82,909
Plant Purchase	227	70,814		5,482	4,798	33,280	33,966	36,848
Road Construction	230	158,279		11,208	9,800	74,781	76,190	82,089
Plant Purchase	231	39,570		2,802	2,450	18,697	19,047	20,523
Economic Services								
Underground Power	235	0	1,700,000	23,197	23,198	36,323	36,322	1,663,678
SUB TOTAL		976,401	1,700,000	102,003	92,876	660,290	647,014	2,029,387
LESS Change in Net Accrual					23,084			
TOTAL		976,401	1,700,000	102,003	115,960	660,290	647,014	2,029,387
Loan Repayments to be financed by the City				78,806	92,762	613,156	598,713	
Loan Repayments reimbursed from external sources				23,197	23,198	47,134	48,301	
TOTAL				102,003	115,960	660,290	647,014	

* Prior year adjustment to Loan Principal charged as an Abnormal Item in the 1999/2000 Operating Statement.

8. RESERVES

In accordance with Financial Management Regulation 38 the following Reserve account information is disclosed.

(a) Land and Building Reserve (Cash Backed)

Purpose - Acquisition, Development and Improvement of Land and Buildings.

The transactions of the Reserve Fund are summarised as follows:

Actual 1998/99		Adopted Budget 1999/00	Actual 1999/00
\$		\$	\$
3,168,553	Opening Balance	3,318,459	3,318,459
	Plus Transfer from Accumulated Surplus		
78,361	- Rental Pt Lot 79 Ranford Road	76,000	88,260
164,331	- Interest Received	150,000	199,612
	Less Transfer to Accumulated Surplus		
6,529	- Advertising Expenses	10,000	14,604
0	- Legal Expenses	2,000	0
1,006	- Valuation Fees	1,000	0
	- Construction Stage 2 Welshpool Business		
32,076	Enterprise Centre	49,000	44,982
0	- Development and Extensions-Whaleback Golf Course	0	15,310
53,175	- Consultancy Fee - Proposed Ranford Subdivision	0	1,250
<u>3,318,459</u>	CLOSING BALANCE	<u>3,482,459</u>	<u>3,530,185</u>

(b) Waste Management Reserve (Cash Backed)

Purpose - Acquisition and Development of Landfill Sites including Buildings, Plan and Equipment and lining of Site.

The transactions of the Reserve Fund are summarised as follows:

Actual 1998/99		Adopted Budget 1999/00	Actual 1999/00
\$		\$	\$
3,603,677	Opening Balance	3,709,242	3,709,242
	Plus Transfer from Accumulated Surplus		
174,637	- Interest Received	160,000	245,729
290,672	- Allocation for Construction of Landfill Liner	165,679	165,679
	Less Transfer to Accumulated Surplus		
750	- Consultancy Fees	5,000	450
358,994	- Construction of Landfill Liner	14,154	15,303
0	- Landfill Quality Audit	15,000	0
0	- Plant and Equipment - 3 Side Loaders	750,000	0
0	- Plant and Equipment-Mobile Bins Recycling	1,404,000	0
<u>3,709,242</u>	CLOSING BALANCE	<u>1,846,767</u>	<u>4,104,897</u>

(c) **Aged Persons Home Reserve (Cash Backed)**

Purpose - Acquisition, Development and Improvements of Facilities for the Aged.

The transactions of the Reserve Fund are summarised as follows:

<u>Actual 1998/99</u>		<u>Adopted Budget 1999/00</u>	<u>Actual 1999/00</u>
\$		\$	\$
1,125,423	Opening Balance	1,103,761	1,103,761
	Plus Transfer from Accumulated Surplus		
52,094	- Interest Received	50,000	76,281
	- Surplus from the following Operations		
20,729	People with Disabilities	0	8,990
1,121	Joint Venture Housing	0	20,414
6,831	Rossmoyne Village	0	994
<u>55,000</u>	Capital Gain of Reallocation of Units	<u>0</u>	<u>108,230</u>
1,261,198		1,153,761	1,318,670
	Less Transfer to Accumulated Surplus		
25,695	-Land & Buildings-Community Room-Wilson Village	5,000	1,690
3,180	-Land & Buildings-Smoke Detectors-Rossmoyne Village	0	0
4,900	-Land & Buildings-Safety Switches-Rossmoyne Village	0	0
8,054	-Land & Buildings-Security Screens-Caprice Place	0	0
828	-Land & Buildings-Access Ramps-Canning Lodge	0	0
3,300	-Land and Buildings-Paint and Curtains-Canning Lodge	35,000	16,093
0	-Land & Buildings-Electric Ovens-Rossmoyne Village	33,950	36,154
0	- Management System Software	0	14,000
0	-Land and Buildings-Office Extensions-Canning Lodge	10,000	1,650
14,194	Wilson Village Maintenance	0	5,232
0	Accreditation-Canning Lodge	0	7,040
97,286	Canning Lodge Operations	0	87,905
<u>1,103,761</u>	CLOSING BALANCE	<u>1,069,811</u>	<u>1,148,906</u>

All of the above Reserve Accounts are Cash Backed and are disclosed as Restricted Cash Assets in Note 5 of the Financial Statements.

Its anticipated the Reserves will be utilised as follows:

Land and Buildings	Progressively over the next 5 Years
Waste Management	Progressively over the next 5 Years
Aged Persons Homes	Progressively over the next 5 Years

Council would expect further transfers to be made to the Aged Persons Home and Land and Building Reserves as funds are utilised.

It is not anticipated to change the purpose of the Reserve Funds during the year.

(d) Asset Revaluation Reserve

The following Asset Revaluation Reserve has resulted from the revaluation of Council Assets in accordance with the Australian Accounting Standards 10 “Accounting for the Revaluation of Non-Current Assets”.

The Asset Revaluation Reserve is not Cash Backed and future transaction on the Reserve will be in accordance with Note 1(c) “Non Current Assets - Valuation and Depreciation”.

Actual 1998/99		Actual 1999/2000
\$		\$
14,764,257	Opening Balance	15,650,506
886,249	PLUS Revaluation of Fixed Assets	8,703,796
<u>15,650,506</u>	CLOSING BALANCE	<u>24,354,302</u>

The amount in the Asset Revaluation Reserve is represented by the following Asset Class balances:

	\$
Land	16,565,435
Buildings	11,036,239
Furniture and Equipment	(3,840,145)
Infrastructure Assets:	
Footpaths	190,547
Signs	3,980
Playing Fields	731
Reticulation and Irrigation	110,601
Fences	<u>286,914</u>
	24,354,302

NOTES

9. CASH FLOW INFORMATION

Reconciliation of cash flows from operations with change in net equity resulting from operations.

For the purpose of this statement of cash flows, cash includes cash on hand and deposits with Banks or Financial Institutions.

<u>ACTUAL</u> <u>1998/99</u>		<u>ADOPTED</u> <u>BUDGET</u> <u>1999/2000</u>	<u>ACTUAL</u> <u>1999/2000</u>
\$		\$	\$
(5,205,188)	Change in net equity from operations	7,992,779	25,752
	<u>Non cash flows in change in Net Equity</u>		
14,726,612	Depreciation	3,912,743	5,162,476
(324,829)	(Profit) loss on sale of Fixed Assets	(871,288)	(1,021,015)
79,923	Changes to provisions	222,715	288,727
(5,210,957)	Government Revenue	(6,178,027)	(6,033,106)
0	Prior Year Adjustment-Loan Principal	0	(1,551)
5,173,725	Decrement from Revaluation-Infrastructure Assets	0	11,097,279
	<u>Change in Assets and Liabilities</u>		
10,503	(Increase)/Decrease in Inventory	244	(1,071)
400	(Increase)/Decrease in Prepaid Expenses	0	0
(8,574)	(Increase)/Decrease in Accrued Expenditure	(4,117)	23,084
(934,324)	(Increase)/Decrease in Debtors	276,523	(44,245)
(569,095)	(Increase)/Decrease in Creditors	(535,747)	605,901
520,525	(Increase)/Decrease in Income in Advance	(209,599)	102,905
<u>8,258,721</u>	Cash flows from Operations	<u>4,606,226</u>	<u>10,205,136</u>
	Credit stand by arrangement and loan facilities		
	Council has Bank Overdraft facilities of:-		
1,900,000	Credit Facility	1,900,000	1,900,000
<u>894,771</u>	Amount Utilised	<u>0</u>	<u>0</u>
<u>1,005,229</u>	Unused Facility available	<u>1,900,000</u>	<u>1,900,000</u>

RECONCILIATION OF CASH

13,614,197	Cash at Bank - Operating	2,073,302	16,929,128
8,131,462	- Restricted Reserves	6,399,037	8,783,986
13,149	- Restricted Loans	0	12,029
	Bank Overdraft Facility		
248,456	- Town Planning Schemes	258,454	260,949
<u>22,007,264</u>	TOTAL CASH	<u>8,730,793</u>	<u>25,986,092</u>

10. TRUST FUND INFORMATION

In accordance with Financial Management Regulation 37 the transactions of the Trust Fund are summarised as follows:

TRUST FUND FOR THE PERIOD ENDING 30 JUNE 2000

PARTICULARS	OPENING	RECEIPTS		PAYMENTS		CLOSING BALANCE	
	BALANCE	ADOPTED	ACTUAL	ADOPTED	ACTUAL	ADOPTED	ACTUAL
	01.07.1999	BUDGET	1999/00	BUDGET	1999/00	BUDGET	1999/00
	\$	\$	\$	\$	\$	\$	\$
DEPOSITS							
Canning Rugby Club - Establish Clubrooms Wilson Park	500	0	0	0	0	500	500
Youth Accommodation Bond	360	900	1,350	900	815	360	895
Canning Literary Awards	3,649	0	0	0	0	3,649	3,649
PUBLIC OPEN SPACE CONTRIBUTIONS							
TPS6 Drainage (Kempe Hutchinson)	1,307	0	0	0	0	1,307	1,307
TPS9 (VM & FM Allen)	72	0	0	0	0	72	72
Public Open Space Contributions	293,401	0	0	140,476	224,457	152,925	68,944
Public Open Space and Local Centre Contributions							
- TPS 17	168,683	0	51,368	0	2,029	168,683	218,022
- TPS 21	552,723	0	209,800	0	1,357	552,723	761,166
- TPS 23	396,497	0	0	0	645	396,497	395,852
- TPS 24	111,723	0	0	0	0	111,723	111,723
TOWN PLANNING SCHEMES							
Town Planning Scheme 28A- Reimbursement	154	0	0	0	0	154	154
Town Planning Scheme 30	34,139	0	0	0	0	34,139	34,139
OTHER							
Woodloes Folk Museum	628	0	0	0	0	628	628
Dewey St-Private Drainage Scheme Contribution	19,783	0	0	0	0	19,783	19,783
Donation-Getting to Know You	7,300	0	0	0	0	7,300	7,300
Mozambique Flood Disaster Appeal	0	0	496	0	0	0	496
City of Canning Relief Fund	116	0	0	0	0	116	116
TOTAL	1,591,035	900	263,014	141,376	229,303	1,450,559	1,624,746

NOTES

11. COMPARISON WITH RATE SETTING BUDGET

In accordance with Financial Management Regulation 36(1)(a) the following information provides details of all income and expenditure together with movements to and from Reserve Accounts which have not been included in the Operating Statement but which have been included in the “Rate Setting Statement”.

<u>ACTUAL</u> <u>1998/99</u> \$		<u>ADOPTED</u> <u>BUDGET</u> <u>1999/2000</u> \$	<u>ACTUAL</u> <u>1999/2000</u> \$
	Non Operating Income		
19,742	Principal Repayment	10,811	11,749
	Proceeds from Disposal of Assets:		
8,111	Furniture and Equipment	1,000	787
2,384,816	Plant and Equipment	2,825,015	2,527,962
16,250	Land	0	0
609,967	Transfer from Reserves	2,334,104	261,663
7,277	Loans - Unspent	13,150	1,120
0	Loans - Raised	2,360,000	1,700,000
<u>3,046,163</u>	TOTAL	<u>7,544,080</u>	<u>4,503,281</u>
	Non Operating Expenditure		
927,566	Purchase Land and Buildings	10,662,406	2,858,664
3,628,837	Purchase Plant and Equipment	6,727,312	3,991,046
366,990	Purchase Furniture and Equipment	644,219	495,659
6,487,668	Infrastructure Assets-Roads	9,620,457	7,588,587
973,915	Infrastructure Assets-Recreation Facilities	782,659	825,983
172,076	Infrastructure Assets-Other	159,754	94,505
850,224	Repayments of Debt-Principal	660,290	645,463
843,776	Transfer to Reserves	601,679	914,188
30,578	Transfer Other	10,000	12,493
<u>14,281,630</u>	TOTAL	<u>29,868,776</u>	<u>17,426,588</u>

12. RATING INFORMATION

Statement of Rating Information for the year ending 30th June 2000. Refer Page 25.

In accordance with Financial Management Regulation 23 Council has imposed the following Rates:

(a) General and Minimum Rate

<u>Actual 1998/99</u>		<u>Adopted Budget 1999/2000</u>	<u>Actual 1999/2000</u>
0.0637	-General Rate	0.0571	0.0571
Rate in \$	(The basis for the rate is Gross Rental Value)	Rate in \$	Rate in \$
\$350pa.	-Minimum Rate	\$350pa	\$350pa

The Objects and Reasons for General and Minimum Rate

Council imposed a general rate of 0.0571 cents in the Dollar and minimum rate of \$350pa, as Council perceives it to be a "reasonable" minimum level of rates which all ratepayers in its district should pay. The minimum rate reflects the basic cost incurred by the Council in servicing each lot or dwelling in its district.

For additional information on the rates levied refer to the "Statement of Rating Information".

(b) Specified Area Rates

(i) Canning Vale Public Open Space Maintenance

To maintain the level of Public Open Space Development at the current standard. Recently established and ongoing subdivisions in Canning Vale, a suburb located in the South East Corner of the City, adjacent to Ranford Road, all have Public Open Space fully developed and initially provided at the expense of the respective subdividers.

<u>Actual 1998/99</u>		<u>Adopted Budget 1999/2000</u>	<u>Actual 1999/2000</u>
0.00668	The Rate in the Dollar (the basis for the rate is Gross Rental Value)	0.00413	0.00413

- Description of Land

All the land comprised within the area connecting at the north western corner of the intersection of Nicholson Road and Clifton Road then in a north easterly direction along the north western boundary of Nicholson Road to Nicholson Court then in a north easterly direction along the north western boundary of Nicholson Court to the south western corner of the intersection of Nicholson Court and the Standard Gauge Railway Reserve then in a south westerly direction along the southern boundary of the Standard Gauge railway Reserve and Ranford Road then in a south easterly direction along the north eastern boundary of Ranford Road to the north eastern corner of the intersection of Ranford Road and Wilfred Road then in a south westerly direction along the south eastern boundary of Wilfred Road to the south eastern corner of the intersection of Wilfred Road and Clifton Road then in a south easterly direction along the north eastern boundary of Clifton Road to the south eastern corner of the intersection of Clifton Road and Silicon road then in a south easterly direction along the north eastern side of Clifton Road to the starting point".

More commonly known as the "Canning Vale Estates".

Application of Rates Levied

To meet the additional cost of maintaining the Public Open Space developed in the Canning Vale Estates. The Canning Vale Estates ratepayers are required to contribute approximately 20% of the total amount of maintaining the parklands and street gardens.

<u>ACTUAL</u> <u>1998/99</u> \$		<u>ADOPTED</u> <u>BUDGET</u> <u>1999/00</u> \$	<u>ACTUAL</u> <u>1999/00</u> \$
0	Unspent Balances Carried Forward	19,766	19,766
<u>103,022</u>	Revenue	<u>83,815</u>	<u>88,752</u>
<u>103,022</u>		<u>103,581</u>	<u>108,518</u>
	<u>Less Expenses</u>		
	Public Open Space & Verge Maintenance		
(10,115)	-Canning Vale Oval	(8,445)	(9,069)
(31,756)	-Livingston Estate P.O.S.	(31,050)	(24,587)
(15,757)	-Waratah Estate P.O.S.	(18,973)	(13,412)
(25,628)	-Ranford Estate P.O.S	<u>(45,113)</u>	<u>(38,568)</u>
<u>(83,256)</u>		<u>(103,581)</u>	<u>(85,636)</u>
<u>19,766</u>	Unspent Balance Carried Forward	<u>Nil</u>	<u>22,882</u>

The additional information in the Specified Rates levied refer to the “Statement of Rating Information” - Refer Page 25.

13. SERVICE CHARGES

- (1) Pursuant to Section 6.38(1) of the Local Government Act 1995 and Regulation 54 of the Local Government (Financial Management) Regulations, a Service Charge is imposed for the provision of Underground Electricity within a defined part of the District of Rossmoyne.

Description of Land

The properties bounded by Leach Highway, the Council Boundary in Bullcreek, Riverton Drive and Fifth Ave and including the properties abutting Riverton Drive between Fifth Ave and Beatrice Ave, properties abutting Pleasant Place, Lot 211 Robins Place and Lot 210 Robins Place and properties abutting Fifth Ave between Riverton Drive and Leach Highway with the exception of Lot Pt 1135 Fifth Ave.

- (2) The Project involves the Design, installation and commissioning of an underground Electricity Supply Distribution System. The Project includes the conversion of all existing Overhead customer service connections to Underground between the property boundary and the property building.

The cost of the Project is estimated at \$4,720,000 to be funded as follows:

State of Western Australia	\$1,180,000
Western Power Corporation	\$1,180,000
City of Canning	\$2,360,000

The project was commenced in December 1999 and is scheduled for completion in December 2000.

Council has an objective to underground the powerlines where the residents support the Scheme as it represents a significant opportunity with tangible benefits, such as improved streetscape, enhance safety, better lighting and an attractive environment.

Its proposed to fund Council's portion of the estimated cost of the Project amounting to \$2,360,000 as follows:

- Loan Raised 1999-2000	\$1,700,000
- Loan to be raised 2000/2001	\$ 510,575
- Participant Contributions (Lump Sum Payment)	\$ <u>149,425</u>
TOTAL	\$2,360,000

The Loan repayments for the 1999/2000 financial year amounts to \$59,520 comprising of:

Interest Repayment	\$23,197
Principal Repayment	\$36,323

The Service Charges to be imposed are defined as follows:

Actual 1998/99		Annual Service Charge 1999/00	OR	Lump Sum Payment 1999/00
\$		\$		\$
	Description			
0	(A) House or Unit with overhead internal power connection	55.50		2,185
0	(B) House or Unit with Underground internal power connection	43.00		1,694
	(C) Flats with underground internal power connection - 32 flats	683.00		27,098
0	- 71 flats	1,516.00		60,123
0	(D) Shopping Complex	1,334.00		52,892
0	(E) Houses in Streets already with Underground Power	20.50		809
0	(F) Council Properties	1,308.00		51,846
	(G) 4 Units with overhead internal connection			
0	-one supply only	46.00		1,662.00
	(H) 2 Units with overhead internal connection			
0	-one supply only	49.00		1,775.00
0	(I) School Site	211.00		8,383.00

The categories and costings determined above are based on information provided by Western Power which categorises different properties depending on the "After Diversity Maximum Demand" which is affectively the average power draw at the time of Peak load. Further the full service component for the underground connection between the street and the property is \$900 and therefore properties which already have this are given a discount of \$450 (i.e. their half contribution).

The amount raised from the Service Charge is to meet the cost of the Loan repayment comprising of principal and interest. Lump sum amounts received will reduce the amounts of the last Drawdown.

14. INTEREST CHARGES FOR THE LATE PAYMENT OF RATES CHARGES

(1) Pursuant to Section 6.51 of the Local Government Act and Financial Management Regulation 27(a) the City of Canning imposed the following rate of interest applicable for the late payment of rates and applied as follows:

- (a) Where no election has been made to pay the rate charge by instalments due
 - (i) after it becomes due and payable;
 - or
 - (ii) 3 calendar months after the date of issue of the rate notice

which ever is the later.

- (b) Where an election has been made to pay the rate charge by instalments and an instalment remains unpaid after its due and payable.

The rate of interest to apply is 10% and the estimated revenue from the imposition of the interest was as follows:

<u>ACTUAL</u> <u>1998/99</u>		<u>ADOPTED</u> <u>BUDGET</u> <u>1999/2000</u>	<u>ACTUAL</u> <u>1999/2000</u>
\$		\$	\$
<u>132,389</u>	Interest Charges for the late Payment of Rates Charged	<u>100,000</u>	<u>167,198</u>

(2) Pursuant to Section 6.45 of the Local Government Act and Financial Management Regulation 27(c) the due dates of each instalment was as follows:

- 1st Instalment 8th October 1999
- 2nd Instalment 8th December 1999
- 3rd Instalment 8th February 2000
- 4th Instalment 10th April 2000

15. FEES AND CHARGES INFORMATION

(a) In accordance with Financial Management Regulation 41, the estimates of total revenue from Fees and Charges for each program are summarised as follows:

<u>ACTUAL</u> <u>1998/99</u>		<u>ADOPTED</u> <u>BUDGET</u> <u>1999/00</u>	<u>ACTUAL</u> <u>1999/00</u>
\$		\$	\$
1,600	Governance	1,000	1,938
118,076	Law, Order, Public Safety	114,900	133,638
72,272	Health	86,930	95,749
442,484	Education and Welfare	474,526	468,879
194,477	Housing	208,000	200,083
11,082,830	Community Amenities	10,080,375	11,522,992
1,699,948	Recreation and Culture	1,727,623	1,821,686
8,500	Transport	7,000	21,040
519,515	Economic Services	449,978	535,605
343,184	Other Property and Services	272,430	291,530
<u>14,482,886</u>	TOTAL FEES AND CHARGES	<u>13,422,762</u>	<u>15,093,140</u>

(b) Fees and Charges amended during the financial year are as follows:

Waste Services - (Effective from 17th April 2000)

	Adopted Fees	Revised New Fees as at 17/04/00
	\$	\$
Car/Trailer Waste		
<i>Per car/van/ute/car trailer not exceeding one (1) tonne capacity with sides not more than 600mm high and less than 2.4 metres long arising from residential premises within the City of Canning who produce a current waste disposal pass entitlement card</i>		
Prunings Separated	5.00	7.00
Prunings mixed with other Waste	11.00	13.00
<i>Per vehicle not exceeding one (1) tonne capacity comprising of car, ute, van, trailer with sides not more than 600mm high arising from industrial, commercial or residential premises without a current disposal pass entitlement card AND less than 2.4m long.</i>		
Prunings Separated	11.00	13.00
Mixed Load	16.00	18.00
Mixed Load - more than 2.4m long and less than 3.1m long	0	25.00
General Waste		
Domestic, putrescible or similar trade waste	47/tonne	50/tonne
Clean sand including uncontaminated foundry sand (except where required for site operation purposes) foundry sand	8/tonne	10/tonne
Minimum charge per entry to landfill site	47.00	50.00
In the event of any material being deposited as detailed above in General Waste being mixed the higher rate will apply.		
Where the material being deposited in the opinion of the Executive Engineer or Manager of Waste Services is determined as being clean material suitable for the operation of the landfill site and is required at the time for such purposes the scheduled fee may be waived.		
Burial of Waste		
Minimum Charge	77.00	80.00

NOTES

16. INVESTMENTS

In accordance with Financial Regulation 49 the Earnings from Investments are summarised as follows:

<u>ACTUAL</u> <u>1998/99</u> \$		ADOPTED BUDGET <u>1999/00</u> \$	ACTUAL <u>1999/00</u> \$
873,373	General Account Reserve Funds	885,000	1,168,782
164,331	- Land and Buildings	150,000	199,611
52,094	- Aged Persons Homes	50,000	76,281
174,637	- Waste Management	160,000	245,729
11,133	Other - (Town Planning Scheme No 24)	10,000	12,493
<u>1,275,568</u>	TOTAL	<u>1,255,000</u>	<u>1,702,896</u>

17. COUNCIL MEMBERS - FEES, EXPENSES AND ALLOWANCES

In accordance with Financial Management Regulation 44 Fees, Expenses or Allowances paid to Council Members are summarised as follows:

<u>ACTUAL</u> <u>1998/99</u> \$		ADOPTED BUDGET <u>1999/00</u> \$	ACTUAL <u>1999/00</u> \$
	-Annual Attendance Fee		
45,000	Councillor (9) - \$6,000 per annum	54,000	54,000
10,000	Mayor - \$12,000 per annum	12,000	12,000
	- Expenses		
1,279	-Telephone Rental Expenses	20,000	19,692
2,800	-Travel Expenses	4,000	4,192
	-Annual Local Government Allowance		
9,373	-Mayor	30,000	30,000
0	-Deputy Mayor	7,500	7,500

18. DEPRECIATION ON NON-CURRENT ASSETS

The Depreciation charge included in the Financial Statements are summarised as follows:

ACTUAL 1999/00	PROGRAM	ADOPTED BUDGET 1999/00	ACTUAL 1999/00
\$		\$	\$
570,622	Governance	566,565	572,531
63,755	Law, Order, Public Safety	63,858	65,918
30,912	Health	28,874	29,873
234,321	Education and Welfare	215,536	223,070
117,723	Housing	109,962	113,765
435,396	Community Amenities	485,778	495,939
1,659,157	Recreation and Culture	1,054,337	1,450,215
10,469,782	Transport	321,942	1,108,284
22,071	Economic Services	20,616	21,329
1,122,873	Other Property and Services	1,045,275	1,081,552
<u>14,726,612</u>	TOTAL	<u>3,912,743</u>	<u>5,162,476</u>

19. MAJOR LAND TRANSACTIONS

Council did not participate in any major land transactions.

20. TRADING UNDERTAKINGS

Council did not participate in any trading undertakings.

21. CAPITAL AND LEASING COMMITMENTS

Council did not have any Capital and Leasing Commitments.

22. FINANCIAL INSTRUMENTS

(a) Interest Rate Risk

The following table details the City of Canning’s exposure to interest rate risks as at 30th June 2000.

	Average Interest %	Variable Interest Rate	Fixed Interest Rate Less than 1 year	Maturity 1 to 5 years	Non Interest Bearing	Total
		\$	\$	\$	\$	\$
Financial Assets						
Cash	4.85	950,159	0	0	0	950,159
Bank Bills/Term Deposits	6.0	0	25,027,239	0	0	25,027,239
Trade Receivables	-	0	0	0	3,521,560	3,521,560
		950,159	25,027,239	0	3,521,560	29,498,958
Financial Liabilities						
Creditors	0	0	0	0	3,142,890	3,142,890
Finance lease Liabilities	0	0	0	0	0	0
Employee entitlements	0	0	0	0	2,606,834	2,606,834
Bank Overdraft	0	0	0	0	0	0
	0	0	0	0	5,749,724	5,749,724

- (b) Council does not have any material credit risk exposure to any single debtor under any financial instruments entered into.
- (c) The aggregate net fair values and carry amounts of financial assets and financial liabilities are disclosed in the notes to and forming part of the Annual Budget.
- (d) Investment of Council Funds:

In accordance with Council's Policy, funds may be invested in one or more of the following :

- Fixed Deposits
- Commercial Bills
- Government bonds
- Other Short-term Authorised Investments (ie Mortgage Backed Securities) with a AA+ Rating or better as set by Standard and Poors. Investment in this area to be limited to 10% of the available funds.

Council's Policy allows for funds to be invested with the following financial institutions:

- Licensed Australian Banks with a BBB rating or better as set by Standard and Poors
- Bonds Issued by Government and/or Government Authorities and Utilities.
- Corporate Entities which have a BBB rating or better as set by Standard and Poors.

23(a) POSITION AT COMMENCEMENT OF FINANCIAL YEAR**DETERMINATION OF OPENING FUNDS**

<u>ACTUAL</u> <u>30.6.1999</u> \$		<u>ACTUAL</u> <u>30.6.2000</u> \$
	<u>Current Assets</u>	
22,494,378	Investments	25,027,239
(495,709)	Cash at Bank - (Overdraft)	950,159
8,595	Cash on Hand	8,695
3,477,313	Sundry Debtors	3,521,560
165,244	Stock on Hand	166,315
<u>4,828</u>	Prepaid Expenses	<u>4,828</u>
25,654,649		29,678,796
	<u>Less Current Liabilities</u>	
(103,897)	Interest Received in Advance	(92,414)
(1,085,702)	Income Received in Advance	(1,200,090)
(2,536,989)	Sundry Creditors	(3,142,890)
(1,109,479)	Accrued Annual Leave	(1,185,108)
(879,621)	Accrued Long Service Leave	(996,960)
(4,117)	Accrued Interest Loan Liability	(27,201)
<u>(251,314)</u>	Provision - for Insurance	<u>(347,073)</u>
(5,971,119)		(6,991,736)
19,683,530	SURPLUS OF CURRENT ASSETS OVER CURRENT LIABILITIES	22,687,060
	ADJUSTMENTS	
	Restricted Funds	
(8,393,068)	Less Cash Backed Reserves and Restricted Funds	(9,056,966)
<u>11,290,462</u>	OPENING/CLOSING FUNDS	<u>13,630,094</u>

NOTES**(b) STATEMENT OF RECONCILIATION OF NET CURRENT ASSETS BROUGHT FORWARD**

In accordance with Financial Management Regulation 36(1)(b) the following reconciliation is provided between the Net Current Assets carried forward from the previous financial year, compared to the Net Current Assets detailed in the 1999/2000 Annual Budget.

Net Current Asset detailed in the 1999/2000 Annual Budget	\$11,290,462
Net Current Assets Brought Forward as at 1st July 1999	\$11,290,462

24. CAPITAL EXPENDITURE BY PROGRAM

Actual Capital Expenditure incurred by Program is summarised as follows:

Program	Furniture and Equipment	Land and Buildings	Plant and Equipment	Infrastructure Roads	Infrastructure Recreation Facilities	Infrastructure Other	Total
	\$	\$	\$	\$	\$	\$	\$
Governance	336,944	175,545	208,448	0	0	0	720,937
Law, Order, Public Safety	3,145	0	239,098	0	0	0	242,243
Health	9,238	12,813	121,564	0	0	0	143,615
Education and Welfare	48,567	509,054	363,340	0	0	0	920,961
Housing	1,640	55,588	0	0	0	0	57,228
Community Amenities	14,189	0	837,102	0	0	0	851,291
Recreation and Culture	58,710	1,754,202	856,134	0	825,983	94,505	3,589,534
Transport	18,831	0	957,757	7,588,587	0	0	8,565,175
Economic Services	1,600	0	92,826	0	0	0	94,426
Other Property & Services	2,796	351,462	314,776	0	0	0	669,034
TOTAL	495,660	2,858,664	3,991,045	7,588,587	825,983	94,505	15,854,444

25. FINANCIAL INFORMATION BY RATIO

In accordance with Financial Regulation 50 the following Financial Information by Ratio is provided:

<u>1998</u> <u>Percent</u>	<u>1999</u> <u>Percent</u>		<u>2000</u> <u>Percent</u>
(a) Current Ratio			
221%	288%	<u>(Current Assets Minus Restricted Assets)</u> (Current Liabilities-Liabilities Associated with Restricted Assets)	338%
(b) Debt Ratio			
4%	4%	<u>Total Liabilities</u> Total Assets	4%
(c) Debt Service Ratio			
3%	2%	<u>Debt Service Cost</u> Available Operating Revenue	2%
(d) Rate Coverage Ratio			
45%	44%	<u>Net Rate Revenue</u> Operating Revenue	44%
(e) Outstanding Rates Ratio			
6%	7%	<u>Rates Outstanding</u> Rates Collectable	6%

DEFINITIONS

“available operating revenue” means the operating revenue-

- (a) plus any contributions towards the repayment of money borrowed which have not been included in the operating revenue; and
- (b) minus specific purpose grants, contributions and donations of a capital nature;

“current assets” means the total current assets as shown in the statement of financial position;

“debt service cost” means all principal and interest expenses for borrowings under Section 6.20 of the Local Government Act 1995;

DEFINITIONS cont...

“net rate revenue” means the revenue from all rates and money paid in lieu of rates on non-rateable land -

- (a) plus interest for late payment and interest and additional charges on instalments;
- (b) minus discounts and concessions granted and money written off;

“rates collectable” means the amount of-

- (a) all rates, interim rates, back rates, interim minimum payments, back minimum payments;
- (b) interest and additional charges payable on rates and payments referred to in paragraphs (a) and (b);
- (c) arrears brought forward from a previous financial year of the amounts referred to in paragraphs (a) and (b);

“rates outstanding” means unpaid rates collectable;

“restricted assets” has the same meaning as in Australian Accounting Standard 27 (AAS27);

“total assets” means all current and non-current assets as shown in the Statement of Financial Position;

“total liabilities” means all current and non-current liabilities as shown in the Statement of Financial Position.

26. RECEIVABLES

Receivables due to the City include the following:

<u>ACTUAL</u> <u>1998/99</u>		<u>ACTUAL</u> <u>1999/00</u>
\$		\$
	<u>Current</u>	
942,650	Rates	806,204
228,748	Sanitation	238,988
4,370	Swimming Pool Charges	4,446
227,523	Private Works	787,674
2,074,022	General	1,660,680
10,811	Long Term Loans-Interest Free & Self Supporting	10,811
<u>3,488,124</u>		<u>3,508,803</u>
	<u>Non Current</u>	
558,226	Rates Outstanding-Pensioner Deferred	581,792
120,638	Long Term Loans-Interest Free and Self Supporting	108,889
<u>678,864</u>		<u>690,681</u>

Deferred pensioners rates represent amounts owing by pensioners who have chosen to defer the payment of their rates in accordance with the Rates and Charges (Rebates and Deferrals) Act 1992.

27. STOCK ON HAND

<u>ACTUAL</u> <u>1998/99</u> \$		<u>ACTUAL</u> <u>1999/00</u> \$
<u>165,244</u>	Comprises of Construction Materials, Fuels and Consumables	<u>166,315</u>

All stock on hand at balance date has been valued at cost.

28. DEVELOPMENT COSTS

Development costs represent preliminary expenditure on Town Planning Schemes financed by the City.

<u>ACTUAL</u> <u>1998/99</u> \$		<u>ACTUAL</u> <u>1999/00</u> \$
	Development costs to be recovered	
92,562	Town Planning Scheme No 21	87,604
<u>92,562</u>		<u>87,604</u>
	Development costs over recovered	
(22,985)	Town Planning Scheme No 29	(23,405)
(391,482)	Town Planning Scheme No 38	(316,692)
<u>(414,467)</u>		<u>(340,097)</u>
<u>(321,905)</u>	TOTAL DEVELOPMENT COSTS OVER RECOVERED	<u>252,493</u>

Town Planning Schemes 21

Recovery of Costs are subject to as and when participants in the Schemes subdivide their land holdings in accordance with the relevant Scheme Texts and Maps.

Town Planning Schemes 29 and 38

Further costs are to be incurred in relation to the Schemes, the Over Recovery of Scheme Costs is considered temporary.

29. ACCOUNTS PAYABLE/INCOME RECEIVED IN ADVANCE

<u>ACTUAL</u> <u>1998/99</u>		<u>ACTUAL</u> <u>1999/00</u>
\$		\$
	<u>Income Received in Advance</u>	
57,900	Restaurant/Eating House Licences	64,800
334,086	Prepaid Private Works	199,489
116,735	Storm Water Connection Fees	119,724
570,904	Crossover Construction Fees	814,224
6,078	Other	1,855
103,897	Interest Received in Advance	92,414
<u>1,189,600</u>	Sub Total	<u>1,292,506</u>
	<u>Accounts Payable</u>	
483,646	Kerb and Footpath Deposits	547,441
4,116	Accrued Expenses - Interest on Loans	27,201
2,053,344	Goods and Services Received	2,595,449
<u>2,541,106</u>	Sub Total	<u>3,170,091</u>
<u>3,730,706</u>		<u>4,462,597</u>

30. ACCRUED ANNUAL LEAVE, LONG SERVICE LEAVE PROVISIONS AND OTHER EMPLOYEE ENTITLEMENTS

Employees' entitlements at balance date are as follows:

<u>ACTUAL</u> <u>1998/99</u>		<u>ACTUAL</u> <u>1999/00</u>
\$		\$
	Current	
1,109,479	-Accrued Annual Leave	1,185,108
365,582	-Accrued Long Service Leave	390,549
	Non Current	
908,921	- Accrued Long Service Leave	1,031,177
<u>2,383,982</u>		<u>2,606,834</u>

Accrued Long Service Leave Liability has been calculated under the provisions of AAS30 and in accordance with the provision of the Local Government (Long Service Leave) amendment Regulations 1983.

In addition to the above entitlements, Council's Policy provides for the following:

- (i) The provision of a watch, suitably inscribed, the value of which (together with engraving costs) is not to exceed \$100.00, to those officers or employees who have completed ten (10) years service with the Municipality.

The provision of a watch or silver coffee/tea set suitably inscribed, the value of which (together with engraving costs) is not to exceed \$250, to those officers or employees who have completed twenty-five (25) continuous years service with the Municipality.

Council's yearly liability is estimated at \$2,000 and considered immaterial and has not been brought into account in these statements.

(ii) The provision of a gratuity, as a token of appreciation, to officers and employees who are retiring as follows:

Prior to completion of ten years service - Nil.

Upon Resignation/Retirement prior to completion of 10 years service, on account of illness:

- At the discretion of the Council

On completion of 10 years services - one days salary

Eleven years service and above - One days salary plus 40% of a days salary for each completed year of service over 10 years.

Council's liability for the 1999/00 financial year is considered immaterial and has not been brought into account in these statements.

Contract of Employment - Executive Officers and Managers

The City has entered into Contracts of Employment with its Executive Officers and six Managers (11Officers).

In the event that the City has not agreed to employ the Officers after the expiration of the Contract period (5 years), a liability equal to one years salary for each Executive Officer and nine (9) months salary for each Manager could arise.

31. PROVISION FOR INSURANCE

The Council has adopted an Insurance Strategy, of adopting higher external deductibles and providing for an increase in the level of self insurance for the following Policies:

- Industrial Special Risk

The Policy covers all risks of direct physical loss or damage, however caused to all real and personal property. Including property held in Trust or on Commission, for which Council is legally liable.

The deductible for the 1999/00 financial year was \$2,000 excluding lease properties with the savings in Insurance Premiums to be utilised to maintain Councils internal deductible of \$500 and to fund possible future self insurance.

- Motor Vehicle

The Policy covers loss of or damage to nominated vehicles and/or plant, including removal of debris and protection costs, plus legal liability protection against Third Party Property Claims.

The Deductible for the 1999/00 Financial Year was \$1,000 with the savings in Insurance premiums to be utilised to maintain Councils internal deductible of \$200 and to fund possible future self insurance.

Provision for insurance at balance date is as follows:

<u>ACTUAL</u> <u>1998/99</u>		<u>ACTUAL</u> <u>1999/00</u>
\$		\$
251,314	Provision for Insurance	347,073

32. ROSSMOYNE AND WILSON RETIREMENT VILLAGES-RESIDENTS' EQUITY

The Resident's Equity in the Villages amount to \$2,514,782 which is in exchange for their life occupancy of the Units.

The Resident's Equity is summarised as follows:

<u>ACTUAL</u> <u>1998/99</u> \$		<u>ACTUAL</u> <u>1999/00</u> \$
2,251,612	Resident's Equity Opening Balance	2,359,112
107,500	PLUS Capital Gain on the re-allocation of Units	155,670
<u>2,359,112</u>	Resident's Equity Closing Balance	<u>2,514,782</u>

33. TOWN PLANNING SCHEMES

With Overdraft Facility

**Statement of Revenue and Expenditure
For the Year Ended 30 June 2000**

DESCRIPTION	<u>TP23</u> \$	<u>TPS24</u> \$	<u>TOTAL</u> \$
Revenue			
Interest on Investments	0	12,493	12,493
	<u>0</u>	<u>12,493</u>	<u>12,493</u>
Expenses:	0	0	0
Net Income Over Expenses	<u>0</u>	<u>12,493</u>	<u>12,493</u>
Bank Balance As At 01.07.99	7,839	240,617	248,456
Bank Balance As At 30.06.00	<u>7,839</u>	<u>253,110</u>	<u>260,949</u>
Deficit/Surplus Represented by:			
Assets			
- Cash at Bank	7,839	19,424	27,263
- Investments	0	233,686	233,686
NET ASSETS OVER LIABILITIES	<u>7,839</u>	<u>253,110</u>	<u>260,949</u>

TOWN PLANNING SCHEMES

(i) Town Planning Scheme No 23

The Overdraft facility was established in August 1973 for the sum of \$500,000.

Purpose - Implementation of Guided Development Town Planning Scheme No. 23.

(ii) Town Planning Scheme No. 24

The Overdraft facility was established in October 1976 for the sum of \$400,000.

Purpose - Implementation of Guided Development Town Planning Scheme No. 24.

With No Overdraft Facility

Statement of Revenue and Expenditure For the Year Ended 30 June 2000

DESCRIPTION	TPS21	TP29	TPS38	TOTAL
	\$	\$	\$	\$
Revenue				
Contributions - Valuation Fees	3,940	0	0	3,940
Contributions - Scheme Costs	4,961	420	0	5,381
Expenses				
Valuations	(3,943)	0	0	(3,943)
Sewerage Reticulation & Headworks	0	0	(74,790)	(74,790)
Funds Advanced by Municipality	4,958	420	(74,790)	(69,412)
Funds Advanced As At 30.06.99	(92,562)	22,985	391,482	321,905
Funds Advanced As At 30.06.00	(87,604)	23,405	316,692	252,493
Represented by:				
Assets				
- Development Costs Capitalised	87,604	0	0	87,604
Liabilities				
- Development Cost Over Recovered	0	(23,405)	(316,692)	(340,097)
NET ASSETS OVER LIABILITIES	87,604	(23,405)	(316,692)	(252,493)

NOTES

34. STATEMENT OF CHANGES IN EQUITY**Sundry Adjustments**

Adjustments to Capital Accumulation have resulted from the following:

PLUS:	\$
- Additional take-up of Youth Accommodation Housing	187,000
- Restricted Asset	
- Net Change in Developed Costs Capitalised: Town Planning Scheme 38	74,790
	<hr/>
	261,790
LESS:	
- Net change in Development Costs Capitalised: Town Planning Scheme 21	(4,958)
Town Planning Scheme 29	(420)
- Increase in Provision for Long Service Leave	(29,884)
- Sundry Adjustment	(3)
TOTAL ADJUSTMENTS	<hr/> <u>226,525</u>

35. PLAN OF PRINCIPAL ACTIVITIES

Plan of Principal Activities is a document which is produced annually and gives an overview of the significant programmes and activities proposed to be carried out by the Council of the local government of the City of Canning over the next four years. Its objectives are to provide the community with information relating to proposed principal activities; and to offer the community the opportunity to lodge submissions in relation to these proposals for consideration by the Council.

Pursuant to Section 5.53 of the Local Government Act 1995, a Local Government is required to report as follows in relation to the Principal Activities:

- (a) Principal Activities commenced or continued during the financial year.
- (b) Assessment of the Local Government's performance in relation to each Principal Activity.
- (c) An overview of the Principal Activities that are proposed to commence or to continue in the next financial year.

The Principal Activities are detailed as follows, together with estimates and actual Income and Expenditure detailed in the Plan of Principal Activities, Annual Budgets and Annual Financial Statements.

PRINCIPAL ACTIVITIES

Loan Borrowings - Reduction of Principal Debt

The City of Canning's main financial objective is to be "Debt Free". The current Principal Activity Plan does not contemplate any Long Term Borrowings during the Five-Year period of the Plan for Council's funded Works and Services.

However, Council in the 1999/2000 financial year will borrow the sum of \$2,360,000 for a term of 10 years comprising of 7 individual drawdowns for the purpose of providing underground power to approximately 1,180 lots in the defined area of Rossmoyne.

The loan has not been incorporated into this Plan as its proposed to impose a Service Charge to recover the loan repayments comprising Principal and Interest from the Owners, thus having a Nil impact on the City's finances.

The repayments for the above-mentioned Loan are estimated at \$337,974 per annum once all drawdowns have been achieved.

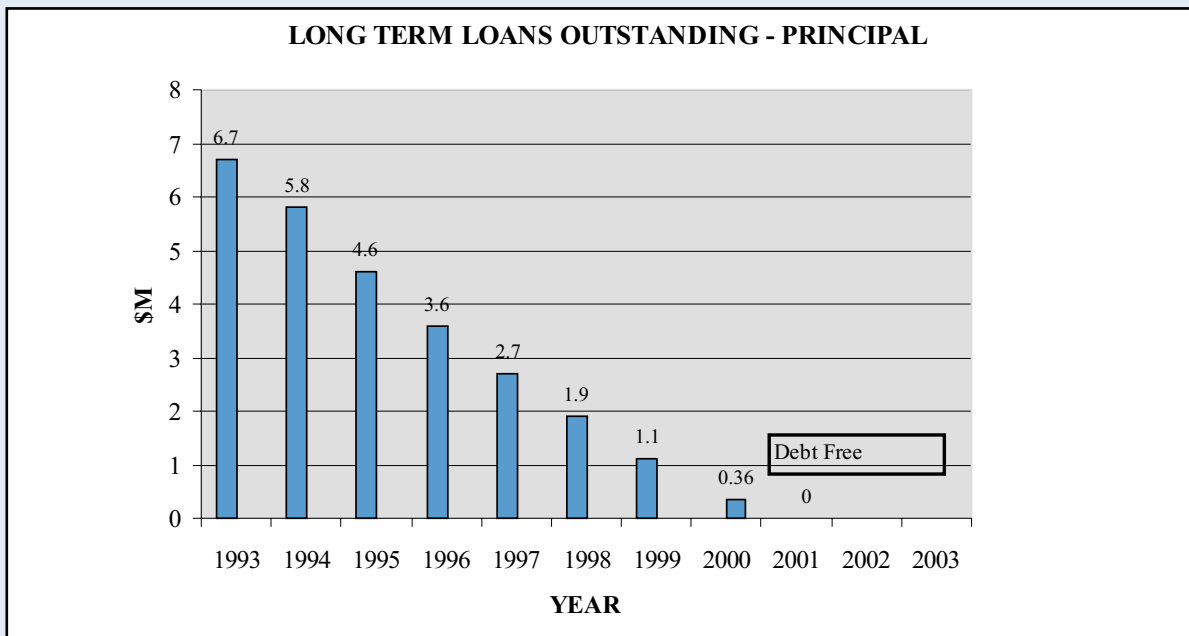
The aim of this Plan is to illustrate the achievement of 'debt free' status for Loan Borrowings raised to finance the City's Works and Services excluding Self-Supporting Loans.

Objective

The benefits associated with "Debt Free" concept are:

- * Independence from uncontrollable market forces such as interest and inflation, which add cost without real benefit.
- * The whole of the Council revenue being available to meet current expenditure for services and new capital works instead of the allocation of funds to the repayments of loans.
- * Promote efficiency in planning resources for major capital expenditure.
- * The City has financial control of its destiny and it is not restricted in its planning and annual expenditures occasioned by decisions of the past.
- * Money now paid as interest is saved and available for service and facility programmes and/or for lessening the impact on annual rates levied.

The following Graph illustrates the achievements to date and the estimates for the Four Year Period of the Plan.



Performance Measures

- (1) Loan Borrowings to be kept at \$NIL.
- (2) Loan Debt Repayments be in accordance with the Schedules provided by the Financial Institutions.

(3) Reduction in Debt Service Cost Ratio $\left\{ \frac{\text{Debt Service Cost}}{\text{Available Operating Revenue}} \right\}$

Definition - "Debt Service Cost" means all Principal and Interest Expenses for borrowing under Section 6.20 of the Local Government Act.

- "Available Operating Revenue" means the Operating Revenue
 - (a) plus any contributions towards the repayment of money borrowed which have not been included in the operating revenue; and
 - (b) minus specific purpose grants, contributions and donations of a capital nature.

The percentage should reduce to Nil once Debt Free status has been achieved.

Funding

		Amount Principal Activities Plan 99/00 \$,000	Amount Annual Budget 99/00 \$,000	Amount Annual Statement 99/00 \$,000
Estimated Expenditure				
Loan Redemption-Interest on Loans	Recreation and Culture Transport (excludes Interest (for Underground Power)	79	79	69
Loan Redemption-Principal on Loans	Non Current Liabilities Liability Loans (excludes Principal for Underground Power)	624	624	611
TOTAL EXPENDITURE		703	703	680
Estimated Funding				
Club and Associations	Deferred Assets-Long Term Loans	7	7	7
General Purpose Income	General Purpose Funding	696	696	673
TOTAL FUNDING		703	703	680

Action taken during 1999/2000 Financial Year and Assessment of Performance

- (1) The objective of the Activity for the 1999/200 financial year have been achieved by the City not raising any new loans to finance the City's Works and Services excluding Self-Supporting Loans.
- (2) The City's Long Term Debt reduced by \$610,692 (excluding Self-Supporting Loans) and the Debt Service Cost Ratio decreased from 2.1% to 1.6% for the 1999/2000 financial year.
- (3) The Principal Activity - Loan Borrowings reduction of Principal Debt will continue until the 2000/01 financial year when the City expects to be debt free.

Riverton Community Library and Recreation Complex

The facility is to be located on Riverton Reserve. Stage 1 of the project comprising a new Central Library was completed in April 1997 at a cost of \$2.9M to construct.

Stage 2 will provide the following:

- * Indoor Aquatic Centre comprising 50m pool, children’s leisure pools, water features, spa, sauna, water slide, seating, associated plant and storage area, administration, reception cafe and creche.
- * Fitness Centre comprising an adult and children’s gymnasium, aerobics area, appraisal room, administration and storage.
- * Community Centre comprising multi-use hall, kitchen, storage, meeting and activity rooms.

The estimated cost of Stage 2 of the facility is \$12.4M.

Objective

To cater for the diverse needs of the Community at a cost and standard that encourages access and increases participation.

Performance Measures

- (1) Construction of Indoor Aquatic Centre, Fitness Centre and Community Centre to be on time.
- (2) Construction of Indoor Aquatic Centre, Fitness Centre and Community Centre to be completed on Budget.

Funding

The Recreation Complex is funded from own resources. The City in its Annual Budget has been progressively allocating funds for the Project. Funds allocated in the Annual Budget which remain unspent amounts to \$5.0M of the Project. The figures indicated hereunder do not include financial assistance from external sources. An application will be made with Ministry for Sport and Recreation for a \$1.5M Grant from its Community Sporting and Recreation Facilities Fund. Should Council be successful in its application, the construction phase of the Project will be brought forward.

Program	Amount Principal Activities Plan	Amount Annual Budget	Amount Annual Statement
	99/00 \$,\$,000	99/00 \$,\$,000	99/00 \$,\$,000
Estimated Expenditure Capital	0	0	794
TOTAL EXPENDITURE	0	0	794
Estimated Funding General Purpose Income			
- Bought Forward	Land and Buildings 5,000	4,993	0
- Annual Allocation	Recreation and Culture 3,000	3,000	0
TOTAL FUNDING	8,000	7,993	0
Funding Available 1999/2000 Budget	0	0	7,993
Funding to be Carried Forward to 2000/2001 Budget	0	0	7,199

Action taken during 1999/2000 Financial Year and Assessment of Performance

- (1) The objective of the Activity for the 1999/00 financial year has been achieved by the City allocating \$3.0M in its Annual Budget. The sum will be carried forward together with previous year allocations to fund the projected anticipated to commence in 2000/2001 financial year.
- (2) Design Concepts have been completed, Architects and Consultants appointed and funding is progressing according to Plan.
- (3) The Principal Activity - Riverton Community Library and Recreation Complex, will continue within the Year 2001/2002 with the construction of the facility due to commence in August 2000 and its anticipated to be completed by September 2001.

Library Services

The City of Canning Library Service provides many more services than the lending of Books and other materials such as Reference and Information Services, an extensive local history collection, "Books on Wheels" to Household Residents, Story telling for pre-school Children, School Holiday Activity Programs, Book Clubs for Young People and for Seniors, Guest Speakers and Craft Sessions for Adults, Community Information Services, Booklists and Displays.

Library Services are available at Riverton, Willetton, Bentley and Queens Park.

Objectives

A Business Plan has been prepared and is proposed to be adopted by the Council at its July 1999 meeting. The Plan incorporates the following:

- * The on-going restructuring of Library Services with a view to reducing operating costs while maintaining the existing service levels
- * An expansions of the Internet services for library patrons.
- * Building extensions and modification at the Willetton Library.

Performance Measures

- (1) Conduct and evaluate annual surveys to assess the level of customer satisfaction with the operation of the Library Service.
- (2) Evaluate whether the targeted reduction in operating costs for each year of the plan have been achieved, taking into account the projected staff reductions occurring as a result of natural attrition.
- (3) The feasibility study on new business income is to be completed by 30th June 2000.

Funding

	Program	Amount Principal Activities Plan 99/00 \$,000	Amount Annual Budget 99/00 \$,000	Amount Annual Statement 99/00 \$,000
Estimated Expenditure				
Operating	Recreation & Culture	2,071	2,071	2,006
Capital	Furniture & Equipment	231	231	203
	Land and Buildings			
TOTAL EXPENDITURE		2,302	2,302	2,209
Estimated Funding				
Other Fees and Charges	Recreation & Culture	51	51	85
General Purpose Income	Recreation & Culture	2,251	2,251	2,124
TOTAL FUNDING		2,302	2,302	2,209

Action taken during 1999/2000 Financial Year and Assessment of Performance

- (1) A survey to assess the level of customer satisfaction with the operation of the Library Service was not conducted.
- (2) An evaluation of the Library operations for 1999/2000 revealed that the targeted reduction in the operating costs, taking into account the projected staff reductions through natural attrition, had been achieved.
- (3) The feasibility study on new business income was completed in December 1999.

Waste Management

The City provides for the collection and disposal of Household Refuse on a weekly basis, a Waste Recycling Program, Shredding of Greenwaste and Refuse Collection Services for the Trade, Industrial and Commercial Businesses in the District. A Waste Disposal Facility is operated by the City at Ranford Road, Canning Vale. This site is expected to reach the end of its life in approximately 2 years. Gas is extracted from its Bannister and Ranford Landfill Sites which is used to generate Electricity, the City receives a royalty, based on the volume of gas extracted.

The City of Canning is a member of the South West Metropolitan Regional Waste Management Council who's primary objective is to develop sustainable Waste Management Strategies to ensure that the current and future Waste Disposal needs of its member Councils are met. The Regional Council has adopted a strategy to reduce the amount of total Waste sent to Landfill by 50% by the year 2001. The Regional Waste Management Strategy is based on three components:

- (1) Collection System
 - Weekly Mobile Garbage Bin (MGB) collection for non-recyclable general waste and small greenwaste
 - Fortnightly MGB collection for co-mingled dry recyclables
 - Three verge side green waste collections per annum
 - One bulk waste verge collection per annum
- (2) Processing System - In-vessel composting system to reduce waste to landfill by approximately 85%.
- (3) Sale of recycled material and disposal of residual waste.

The City has agreed to participate in 'Project 2000' which is the development of a Regional Resource Recovery Centre (RRRC) in Canning Vale. The RRRC which is proposed to be completed by the end of 2001 will provide for the future needs of waste disposal for the participating member Councils. The Regional Council estimates that the RRRC made up of "In-vessel Composting" of putrescible waste, a "Material Recovery Facility" for recyclables and "Greenwaste Processing" will divert 85% of household waste generated from landfill.

Given the City's decision to participate in "Project 2000" the City will be introducing a fortnightly MGB collection for co-mingled dry recyclables in April/May 2000.

A Business Plan has been prepared and adopted by Council in June 1999. The plan incorporates the following:

Domestic Collections

* The on-going operation of the domestic household refuse collection service by the City.

Commercial Collections

* An examination of the advantages to the City in selling the commercial operations as a business undertaking.

Landfill Operations

*An examination of the proposed closure of Ranford Road Landfill Site and investigation into the development potential of the site.

* An examination into the alternative options for the disposal of bulk waste material collected within the City of Canning following the closure of the Ranford Road landfill site.

Domestic, Recycling & Verge Collection

* Introduction of a mobile two bin domestic collection service.

*A review of the Council's verge collection service.

*A review of the issue of free entry landfill vouchers.

Objective

To provide an efficient and effective Waste Management Service that incorporates Collection, Disposal, Education and to adopt best practices in Waste minimisation.

Performance Measures

- (1) No later than September 1999 prepare a business plan for the sale of the Bulk Bin Commercial Collection Service during the 1999/2000 financial year.
- (2) Complete post closure management plan by December 2000.
- (3) Prepare estimates for clearing landfill site of inert material by June 2000.
- (4) Prior to December 2000 complete research into future options available to the City for the disposal of refuse after the closure of the Ranford Road site.
- (5) Review the current verge collection policy by June 2001 to ascertain whether (a) it continues as present or (b) is reduced from three services annually or (c) withdrawn in total.

Funding

	Program	Amount Principal Activities Plan 99/00 \$,000	Amount Annual Budget 99/00 \$,000	Amount Annual Statement 99/00 \$,000
Estimated Expenditure				
Operating				
-Landfill Levy E.P.A.	Community Amenities	720	720	670
-Landfill Operations	Community Amenities	1,006	1,006	899
-Domestic/Special Verge Collection/Recycling	Community Amenities	3,135	3,315	3,272
Commercial Collection Service	Community Amenities	523	523	352
-Contribution SW Metropolitan Regional Waste Management	Community Amenities	56	56	56
-Greenwaste Shredding Operation	Community Amenities	175	175	261
-Consultancy Fees-Landfill Liner	Community Amenities	5	5	1
-Construction of Landfill Liner and Leachate Control	Infrastructure-Other	14	14	15
-Landfill Quality Audit	Community Amenities	15	15	0
Capital	Community Amenities - Plant and Equipment	3,004	3,004	721
TOTAL EXPENDITURE		8,653	8,653	6,247
Estimated Funding				
Other Fees and Charges				
-Refuse Removal Domestic	Community Amenities	3,605	3,605	3,685
-Refuse Removal Commercial	Community Amenities	450	450	284
-Landfill Site	Community Amenities	5,762	5,762	7,237
-Other Landfill Site	Community Amenities & Other Property & Services	47	47	43
-Proceeds Sale of Assets		250	250	222
-Reserve Fund Waste Management	Fund Transfers	2,154	2,154	0
General Purpose Funding		0	0	0
TOTAL FUNDING		12,268	12,268	11,471

Action taken during 1999/2000 Financial Year and Assessment of Performance

- (1) The business plan for the sale of the Bulk Bin Commercial Collection Service was finalised by September 1999.
- (2) The post closure management plan will be completed by December 2000.
- (3) Estimates for clearing the landfill site of inert material have been prepared.
- (4) Research into the future options available to the City for the disposal of refuse after the closure of the Ranford Road site will be finalised by December 2000.

Funding

		Amount Principal Activities Plan 99/00 \$,000	Amount Annual Budget 99/00 \$,000	Amount Annual Statement 99/00 \$,000
Estimated Expenditure				
Capital				
-Meals on Wheels Facility-Bentley	Education and Welfare	15	15	1
-Canning Lodge Hostel-Office Accommodation Extensions	Infrastructure-Land & Buildings-Housing	10	10	2
-Youth Facility-Lynwood	Infrastructure-Land & Buildings - Education and Welfare	440	432	455
-Respite Care Facility-Bentley	Education and Welfare	15	10	4
TOTAL EXPENDITURE		480	467	462
Estimated Funding				
General Purpose Funding				
-Meals on Wheels Facility-Bentley	General Purpose Funding	15	15	1
-Respite Care Facility Bentley	General Purpose Funding	15	10	4
-Youth Facility-Lynwood				
-Annual Allocation	General Purpose Funding	30	30	53
-Brought Forward	General Purpose Funding	150	142	142
Government Grants and Subsidies				
-Youth Facility Lynwood				
-Annual Allocation-Govt Grant	Education and Welfare	30	30	30
-Annual Allocation-Lotteries Com.	Education and Welfare	80	80	80
-Brought Forward-Lotteries Com..	Education and Welfare	150	150	150
Transfer to General Purpose Funding from Reserve Fund Aged Persons Homes				
-Canning Lodge Hostel Office Accommodation Extension	Fund Transfer	10	10	2
TOTAL FUNDING		480	467	462

Action taken during 1999/2000 Financial Year and Assessment of Performance

- (1) The Needs survey was conducted in October 1999 and established there is no immediate need to construct a new kitchen and dine-in facility in Bentley. The survey also identified that the Queens Park Community Care Centre has minimum capacity for any significant expansion and it is proposed to provide a Respite Centre north of the River.
- (2) The construction of the Lynwood Youth Facility was completed on time with-in acceptable budget constraints.
- (3) The activity is considered to be on-going with additional building to be detailed in future Plans.

- (5) The second mechanised bin service was introduced in May 2000.
- (6) A review of the current verge collection policy to ascertain whether (a) it continues as present or (b) is reduced from three services annually or (c) withdrawn in total is currently being undertaken and is expected to be completed by June 2001.
- (7) A report on whether the practice of issuing free entry vouchers should continue has been prepared and submitted to the Council. The feasibility study on the advantages and disadvantages of constructing a waste transfer station has been included as one of the proposals in this business plan.

Community Care Facilities

The City of Canning is committed to building modern Facilities from which it will deliver a wide range of services to the Community. The construction of the following Facilities is dependent on the availability of Grants from the Federal Government, State Government and the Lotteries Commission.

*** Meals on Wheels Facility**

Research will be undertaken to determine whether the service should be expanded with the construction of a new kitchen/dining room facility in Bentley to service residents north of the river.

*** Youth Facility**

It's proposed to provide a Multi-purpose Youth Facility in Lynwood offering a range of unstructured activities. The Project to be funded over two financial years 1998/99 and 1999/2000.

*** Canning Lodge**

Extensions to the Facility incorporates the construction of the following:

- * Community room including Kitchen and bathroom to provide all residents with a venue for daily activity/rehabilitation sessions and an area for larger social/family functions.
- * Additional Office Accommodation.

*** Respite Care Facility**

Its proposed to provide a Respite Centre north of the river to be located in Bentley, as the Queens Park Community Care Centre has minimum capacity for any significant expansion. Research will be undertaken to determine the level of demand and initiate preliminary design concepts.

Objective

To provide modern and convenient facilities which cater for the Youth, Aged Persons, People with Disabilities and for people from Culturally and Linguistically diverse backgrounds.

Performance Measures

- (1) Construction of the proposed facilities to be on time.
- (2) Construction of the proposed facilities to be on Budget.
- (3) Completion of Needs Survey by December 1999 for the new Meals on Wheels Facility and Respite Care Facility.

Street Beautification Programme

The Council is committed to improving the appearance of the City's Streets and has developed a Street Beautification Programme. The Programme has brought the following activities under one umbrella.

- Streetscape Enhancements
- Entry Statements
- Street Sweeping
- Weed Control
- Street Gardens
- Street Tree Pruning
- Verge Maintenance - Mowing
- Tree Watering
- Street Signs

Objective

To ensure that the City's Streets remain relatively free from Litter and their appearance is in keeping with high customer satisfaction.

Performance Measure

- (1) Conduct an Annual Community Survey to assess the level of customer satisfaction of the Street Beautification Programme.

Funding

		Amount Principal Activities Plan 99/00 \$,000	Amount Annual Budget 99/00 \$,000	Amount Annual Statement 99/00 \$,000
Estimated Expenditure				
Operating				
-Street Sweeping	Transport	245	245	196
-Weed Control	Transport	70	70	51
-Street Gardens	Recreation & Culture	212	212	279
-Street Tree Pruning	Transport	423	423	756
-Verge Maintenance Mowing	Transport	1,002	1,002	906
-Tree Watering	Recreation & Culture	152	152	136
-Street Signs	Transport	61	61	58
Capital				
-Streetscape Enhancements	Infrastructure-Roads	169	169	59
-Entry Statements	Infrastructure-Roads	10	10	9
TOTAL EXPENDITURE		2,344	2,344	2,450
Estimated Funding				
General Purpose Funding	General Purpose Funding	2,344	2,344	2,450
TOTAL FUNDING		2,344	2,344	2,450

Action taken during 1999/2000 Financial Year and Assessment of Performance

- (1) All the objectives of the Activity set for the 1999/2000 financial year have been achieved with Operating Expenditure kept within allowances made with the exception of Street Gardens and Street Tree Pruning. This was a direct result of unexpected additional works and unforeseen climatic conditions. Unspent funds allocated for Streetscape Enhancements are carried forward into the 2000/2001 financial year.
- (2) Council did not conduct a Survey in relation to the Street Beautification Programme in the 1999/2000 financial year. It is anticipated that an on-going Survey to assess residents satisfaction to the Programme will continue in 2000/2001.
- (3) The Activity is considered to be on-going.

Asset Management Programme

To provide the necessary equipment, buildings and infrastructure for the Community and the Asset Management of such facilities.

Asset Acquisition and Replacement includes:

- Furniture and Equipment
- Land and Buildings
- Plant and Equipment
- Tool Purchases
- Infrastructure Assets
 - Roads
 - Recreation
 - Other

Asset Management provides for the necessary preventive maintenance, to ensure the functionality and safety of the infrastructure assets. Infrastructure maintenance includes:

- Roads, Drainage and Footpath Maintenance
- Parks and Reserve Maintenance
- Building Maintenance
- Plant Operation Costs

Objective

To provide and replace as necessary the infrastructure of the City and maintain the infrastructure to an acceptable standard of presentation, usability and safety.

Performance Measures

- (1) Monitor levels of expenditure in road asset management against those recommended by the Pavement and Road Maintenance System (PARRMS) which provides a highly complex based management tool for assessing condition and predicting expenditure requirements.
- (2) Lengths of roads, drains, footpaths replaced or constructed each year.
- (3) Requirements that 97.5% of funds allocated for Capital Works and Services be spent by 30th June of each year.

Funding

Program	Amount Principal Activities Plan 99/00 \$,000	Amount Annual Budget 99/00 \$,000	Amount Annual Statement 99/00 \$,000	
Estimated Expenditure				
Operating				
-Roads, Drainage and Footpath Maintenance	Transport & Community Amenities	750	750	866
-Parks & Reserves Maintenance	Recreation & Culture	3,972	3,976	4,281
-Building Maintenance	Various Programs	1,704	1,704	1,810
-Plant Operation Costs	Other Property and Services	2,250	2,250	2,269
Capital				
-Furniture & Equipment	Infrastructure-Furniture & Equipment	395	593	446
-Land and Buildings	Infrastructure-Land & Buildings	946	2,047	1,448
-Plant & Equipment	Infrastructure-Plant & Equipment	3,053	3,723	3,270
- Infrastructure Assets				
- Roads	Infrastructure-Roads	7,151	9,621	7,588
- Recreation	Infrastructure-Recreation	696	783	826
-Other	Infrastructure-Other	146	160	95
TOTAL EXPENDITURE		21,063	25,607	22,899
Estimated Funding				
- Contribution and Donations		358	368	588
- Grants and Subsidies		2,377	2,752	2,589
- Proceeds Sale of Assets		2,252	2,576	2,307
- Fees and Charges		260	259	352
-Plant Operating Costs	Other Property and Services	2,210	2,210	2,461
General Purpose Funding		13,606	17,442	14,602
TOTAL FUNDING		21,063	25,607	22,899

Note:

- (1) Amounts stated in the Capital Section above do not include items detailed in other Plans referred to previously.
- (2) Expenditure incorporated in the Capital Section under the heading "Estimate Included in 1999/2000 Budget" includes all Capital Works approved in previous Budgets, but not completed as at 30th June 1999, thus the variation between the amounts included in the 1999/2000 Annual Budget and Plan of Principal Activity reflects this amount.

Action taken during 1999/2000 Financial Year and Assessment of Performance

- (1) All the objectives of the Activity set for the 1999/00 financial year have been achieved with levels of expenditure kept generally within allowances made. Unspent funds allocated for Capital Expenditure have carried forward into the 2000/2001 financial year.
- (2) Council's long term goal has been to increase expenditure on road preservation to around \$4 million per annum, this was achieved in 1999/00 with approximately \$5.6M spent on road construction and resurfacing during the financial year. Capital Works and Services spent by 30th June 2000 amounted to 81% of funds allocated in the 1999/00 Budget for this Principal Activity, with the balance of works to be carried forward to the 2000/2001 financial year.

The length of roads, drains, footpaths replaced or constructed during the 1999/00 financial year were as follows:

Roads:	20km - reconstructed and resealed and 5.7km of new Roads constructed
Drainage:	2.6km
Footpaths:	6.7km of new Footpaths and 4.7km of Slab Paths upgraded

- (3) The Activity is considered to be on-going.

Reserve Fund

The City of Canning has established Reserve Funds to provide funding for future projects, reduce the impact on future Annual Budgets and to ensure "Debt Free" Status is not only achieved but is also sustainable.

Land and Building Reserve

The purpose of this fund is for the acquisition, development and improvement of Land and Buildings.

Waste Management Reserve

The purpose of this fund is for the acquisition and development of Landfill Sites, including Buildings and Equipment and lining of sites.

Aged Persons Homes Reserve

The purpose of this Fund is for the acquisition, development and improvement of facilities for the Aged.

Asset Revaluation Reserve

The purpose of this Fund is to reflect changes in the value of the City's Fixed Assets.

With the exception of the Asset Revaluation Reserve, all the other reserves are cashed backed.

Objective

To accumulate cash backed Reserves to provide funding for future projects and reduce the impact on future Annual Budgets.

Performance Measures

- (1) Annual assessment of the extent to which accumulated Reserves are able to meet the future expenditure needs of the City.

Funding

	Amount Principal Activities Plan 99/00 \$,000	Amount Annual Budget 99/00 \$,000	Amount Annual Statement 99/00 \$,000
Estimated Expenditure			
Land & Building Reserve			
Balance B/Fwd 1st July	3,319	3,319	3,319
PLUS Transfer from General Reserve			
- Interest Earning	150	150	199
- Rent Received	76	76	88
LESS Transfer to General Revenue			
-Feasibility Studies & Sundries	13	13	31
-Extensions to Cafe-Welshpool Business EnterpriseCentre Inc.	49	49	45
BALANCE AS AT 30 JUNE	3,483	3,483	3,530
Waste Management Reserve			
Balance B/Fwd 1st July	3,416	3,709	3,709
PLUS Transfer from General Reserve			
-Interest Earnings	160	160	246
-Allocation for Construction of Landfill Liner/Rehabilitation Site	166	166	166
LESS Transfer to General Revenue			
-Consultancy Fee-Landfill Liner	5	5	1
-Construction of Landfill Liner and Leachate Control	14	14	15
-Landfill Audit Audit	15	15	0
-Plant & Equipment-3 Side Loader Trucks & 27,000 Mobile Garbage Bins - Recycling	2,154	2,154	0
BALANCE AS AT 30 JUNE	1,554	1,847	4,105

	Amount Principal Activities Plan 99/00 \$,000	Amount Annual Budget 99/00 \$,000	Amount Annual Statement 99/00 \$,000
Aged Persons Homes			
Balance B/Fwd 1st July	1,146	1,104	1,104
PLUS Transfer from General Reserve			
- Surplus from Operations	0	0	30
-Interest Earnings	50	50	76
- Capital Gain on Reallocation of Retirement Village Units	0	0	108
LESS Transfer to General Revenue			
-Electric Ovens-Rossmoyne Village	0	34	36
-Paint, Curtains, Park Benches and Access Ramps - Canning Lodge	35	35	16
-Office Extensions-Canning Lodge	10	10	2
-Community Room Wilson Village	5	5	1
-Management System Software	0	0	14
-Wilson Village Maintenance	0	0	5
-Accreditation -Canning Lodge	0	0	7
-Canning Lodge Operations	0	0	88
BALANCE AS AT 30 JUNE	1,146	1,070	1,149

Action taken during 1999/2000 Financial Year and Assessment of Performance

- (1) All of the objectives of the Activity set for the 1999/00 financial year have been achieved resulting in additional funds being accumulated in the Reserve Funds. The amount allocated from the Waste Management Reserve for Plant and Equipment associated with Council's Recycling Service did not occur as the costs were incorporated in the Tender awarded for the service.
- (2) The accumulation of funds held in the Reserves will enable the Local Government to fund many of its Infrastructure Projects from own resources, thus creating a financial stable environment for its Ratepayers.
- (3) The Activity is considered to be on-going as funds accumulated will aid in the funding of proposed expenditure detailed in the Local Government Annual Budgets.



36. NATIONAL COMPETITION POLICY

(1) Competitive Neutrality

The 1999/2000 Annual Report identified the City's Activities and Functions and how it intended to progressively cost the Activities as if a Business Unit to include Competitive Neutrality Principles.

The Business Plans compiled for the Business Units of the City address the requirements of Clause 7 of the National Competition Policy and ensure that the Council of the Local Government of the City of Canning can satisfy itself that it is meeting the essential criteria of the Policy.

**Statement of Significant Activities to Which Competitive Neutrality
have been Applied**

Business Plans prepared and/or reviewed by 30 June 2000 and to be presented to Council by December 2000 are as follows:

- * Community Inclusion Project - People with Disabilities
- * Supported Accommodation and Family Respite Service - Disability
- * Queens Park Community Care Services
- * South Canning Community Care Services
- * Catering Service - (Meals on Wheels)
- * Home and Community Care and Seniors Residential Services
- * Multicultural Respite Services
- * Youth and Family Services
- * Queens Park Recreation Service
- * Canning Aquatic Centre
- * Library Management Services
- * Patrol and Security Management Services
- * Town Planning Management Services
- * Building Services
- * Health Services
- * Canning Lodge
- * Waste Management Service
- * Recreation Management Service - Community Halls and Centres
- * Recreation Management Service - Sportfields and Associated Facilities
- * Human Resources Management Services
- * Plant and Equipment Management Services
- * Road Reserve Management Services
- * Passive Parks and Associated Property Management Services

The City of Canning is classified as a Category 1 Local Government under the National Competition Policy. Under this Policy a business activity is defined as one that generates an annual income from fees and charges exceeding \$200,000. The Business Units detailed above in most instances derive an annual income of less than \$200,000 from this Source, however the City has elected to prepare Business Plans for all the various activities and to apply the Principles of the Policy to each of the Business Units.

The Business Plans findings in relation to the benefits and costs of introducing Competitive Neutrality are summarised as follows:

Community Inclusion Project - People with Disabilities

An analysis of the total operating incomes and expenditures of the Community Inclusion Project revealed that there were no benefits to be gained with the implementation of National Competition Policy and therefore it is concluded the principles of the policy should not be introduced.

Supported Accommodation and Family Respite Service - Disabilities

The Accommodation and Respite Services (Disability) is almost entirely dependent upon the receipt of government grants to finance the ongoing operations of the service. The implementation of the competitive neutrality policy would result in an increase to the cost of delivering these services. Unless there was a corresponding increase to the level of government funding to finance these additional costs, it would be necessary to increase the fees and charges currently imposed by the City.

The full cost pricing principle implicit in determining a pricing policy under National Competition Policy does not mean that the City must charge the full cost of the service if it considers that this is outweighed by social welfare, equity considerations and other community service obligations. The services provided by the Accommodation and Respite Services (Disability) offers a range of residential accommodation, support and other activities and the provision of these by the City fulfils a community service obligation to the people with intellectual disability.

An analysis of the costs and benefits concluded therefore that the benefits of removing the competitive advantage were less than the costs and consequently it was concluded the competitive neutrality principles should not be introduced.

Queens Park Community Care Services

The Queens Park Community Care Services has a low cost recovery and is largely dependant upon the invaluable contribution received from volunteers and the availability of government grants and subsidies to support and finance the ongoing operations of the Service. The implementation of the competitive neutrality policy would result in an increase to the cost of delivering these services and, unless there was a corresponding increase to the level of government funding to finance these additional costs, it would be necessary to increase the fees and charges currently imposed by the City.

An analysis of the costs and benefits therefore revealed that the benefits of removing the competitive advantage were less than the costs and consequently it was concluded the competitive neutrality principles should not be introduced.

South Canning Community Care Services

The South Canning Community Care Services has a low cost recovery and is largely dependant upon the invaluable contribution received from volunteers and the availability of government grants and subsidies to support and finance the ongoing operations of the Service. The implementation of the competitive neutrality policy would result in an increase to the cost of delivering these services and, unless there was a corresponding increase to the level of government funding to finance these additional costs, it would be necessary to increase the fees and charges currently imposed by the City.

An analysis of the costs and benefits therefore revealed that the benefits of removing the competitive advantage were less than the costs and consequently it was concluded the competitive neutrality principles should not be introduced.

Catering Services (Meals on Wheels)

While a small subsidy is required from the City to finance the operations of the service at present, the majority of revenue generated from the operations of the service is derived from contributions received from the sale of meals and meal subsidies from the HACCC program. In assessing the benefits and the costs of implementing competitive neutrality, it was disclosed that the prices charged for these meals was only slightly lower than the full cost of providing the service.

The full cost pricing principle implicit in determining a pricing policy under National Competition Policy does not mean that the City must charge the full cost of the service if it considers that this is outweighed by social welfare, equity considerations and other community service obligations. Caring for the frail, elderly and persons with disability who live within the City of Canning enables them to remain living in their own homes, thereby avoiding early institutionalisation.

An analysis therefore of the costs and benefits revealed that the benefits of removing the competitive advantage were less than the costs and consequently it was concluded the competitive neutrality principles should not be introduced.

Home and Community Care and Seniors Residential Services

The Home and Community Care and Seniors Residential Services has a low cost recovery and is largely dependant upon the invaluable contribution received from volunteers and the availability of government grants and subsidies to support and finance the ongoing operations of the Service. The implementation of the competitive neutrality policy would result in an increase to the cost of delivering these services and, unless there was a corresponding increase to the level of government funding to finance these additional costs, it would be necessary to increase the fees and charges currently imposed by the City.

This would result in fewer people being able to afford using the services and an even lower cost recovery being achieved. An analysis of the costs and benefits therefore revealed that the benefits of removing the competitive advantage were less than the costs and consequently it was concluded the competitive neutrality principles should not be introduced.

Multicultural Respite Services

The Multicultural Respite Services has a low cost recovery and is largely dependant upon the invaluable contribution received from volunteers and the availability of government grants and subsidies to support and finance the ongoing operations of the Service. The implementation of the competitive neutrality policy would result in an increase to the cost of delivering these services and, unless there was a corresponding increase to the level of government funding to finance these additional costs, it would be necessary to increase the fees and charges as well as the subsidy currently provided by the City.

Increases in the fees and charges would ultimately result in fewer people being able to afford the level of services required. An analysis of the costs and benefits therefore revealed that the benefits of removing the competitive advantage were less than the costs and consequently it was concluded the competitive neutrality principles should not be introduced.

Youth and Family Services

The Youth and Family Services has a low cost recovery and is largely dependant upon the significant subsidy provided by the City and the availability of government grants and subsidies to support and finance the ongoing operations of the Service. The implementation of the competitive neutrality policy would result in an increase to the cost of delivering these services and, unless there was a corresponding increase to the level of government funding to finance these additional costs, it would be necessary to increase the fees and charges as well as the subsidy currently provided by the City.

Increases in the fees and charges would ultimately result in fewer people being able to afford the level of services required. An analysis of the costs and benefits therefore revealed that the benefits of removing the competitive advantage were less than the costs and consequently it was concluded the competitive neutrality principles should not be introduced.

Queens Park Recreation Service

The income generated from the Centre is insufficient to meet the operating costs and therefore the Centre will continue to require a subsidy from the general revenue of the City. The implementation of competitive neutrality principles to the operations of the Centre discloses that there would need to be a substantial increase in the amount of the subsidy provided by the City to finance these additional costs. The Centre's operations have a low cost recovery and to fully recover these additional costs, all of the fees and charges would have to increase to an extent that would inevitably result in fewer people using the facility and an even lower cost recovery being achieved. It is evident that it would be uneconomic for anyone else to operate a recreation centre of the same design and structure. An analysis of the costs and benefits revealed that the benefits of removing the competitive advantage were less than the costs and consequently it was concluded the competitive neutrality principles should not be introduced.

Canning Aquatic Centre

The implementation of competitive neutrality principles to the operations of the Canning Aquatic Centre demonstrates that there would be a substantial increase in the amount of the subsidy provided by the City. The swimming pool operations has a low cost recovery and therefore it has been assessed that to fully recover costs, an entry fee price of \$6 and \$4 for adults and children respectively would have to be charged. This would result in fewer people using the facility and an even lower cost recovery being achieved. It is evident that it would be uneconomic for anyone else to operate a swimming pool of the same design and structure, even though it is the only one of its type in the area. An analysis of the costs and benefits concluded that the benefits of removing the competitive advantage were less than the costs. As a consequence, it was concluded that the competitive neutrality principles should not be introduced.

Whaleback Public Golf Course

A comparison of the income generated from the course with all the costs associated with the implementation of the competitive neutrality policy discloses that the City has applied the full cost pricing principles of this policy to the operations of the Whaleback Golf Course. Notwithstanding the additional costs involved with placing the business on a "level playing field" with the private sector, the City is still able to generate a positive financial return from the operations. While Competition Policy does not require the Council to contract out or competitive tender the business, the Council has already entered into an arrangement with a commercial operator to lease and manage a portion of the business activities at the Course. This arrangement is of benefit to both the commercial operator and the City.

Library Management Services

The implementation of competitive neutrality principles to the operations of the Library Service demonstrates that there would be a significant increase in the amount of the subsidy provided by the City. While Competition Policy does not require the council to contract out or competitive tender the business, the cleaning and ground maintenance of the four libraries was market tested in 1999. The ground maintenance contract was awarded to a commercial operator and the in house cleaning contract remained with the Property Services Management Department of the City.

The Library Service has a limited revenue base, access to the general library services being free of charge, and as a consequence funding from the general revenue of the City to finance the ongoing operations of the business is required. It is evident that it would be uneconomic for the service to be undertaken by the private sector without a substantial subsidy from the City. An analysis of the costs and benefits revealed that the competitive advantages should be retained and that the competitive neutrality principles should not be introduced.

Patrol and Security Management Services

An analysis of the costs and benefits arising from the implementation of the competitive neutrality policy revealed there were no advantages to be gained from the application of this policy to the operations of the service. The pricing principles of the policy will result in an increase to the cost of delivering the services and consequently a corresponding increase in the subsidy required from the City to finance the ongoing operations of the service. The sources of revenue available to the service to fully finance the cost of operations are limited, and variations to the majority of the fees and charges are subject to restrictions imposed under legislation of the State Government.

Town Planning Management Services

A comparison of the income generated from the operations of the Service with all the operating costs discloses that the full cost pricing principles of national competition policy have not been adopted. While the full cost pricing principle is implicit in determining a pricing policy under National Competition Policy, this does not mean that the City must charge the full cost of the service if it considers that this is outweighed by social welfare, equity and other considerations.

The sources of revenue available to the service to fully finance the cost of operations are also limited. Variations to the majority of the fees and charges are generally in line with those applied by other local governments, however notwithstanding this, there are legislative restrictions that likewise impact on the level of fees and charges that may be imposed. A review of the re-zoning fees is currently being undertaken and will address the pricing policy of the Service to ensure that it complies with the principles of competitive neutrality.

Building Services

A comparison of the income generated from the operations of the Building Service with all the operating costs associated with the implementation of the competitive neutrality policy discloses that the full cost pricing principles of this policy have been adopted. In assessing the benefits and the costs of implementing competitive neutrality, it is considered that the full cost pricing should be continued and that the operations should not be subsidised from the general revenue of the City.

Health Services

An analysis of the costs and benefits arising from the implementation of the competitive neutrality policy revealed there were no advantages to be gained from the application of this policy to the operations of the service. The sources of revenue available to the service to fully finance the cost of operations are limited, and an increase in the level of fees and charges are subject to restrictions imposed under government legislation controlling the activities of the service. An analysis of the costs and benefits therefore revealed that the benefits of removing the competitive advantage were less than the costs and consequently it was concluded the competitive neutrality principles should not be introduced.

Canning Lodge

The majority of revenue generated from the operations of the service is derived from government subsidies. Unless there was a corresponding increase in the level of these subsidies, it was assessed significant increases to fees and charges would be required to meet the additional costs arising from the implementation of the National Competition Policy principles. A review established that most of the clientele are financially disadvantaged and increases to these fees and charges would result in fewer citizens being able to afford the level of retirement accommodation required.

While an ongoing subsidy will be required from the City to finance the operations of the service, a community service obligation in providing retirement accommodation will ensure the welfare and security of its senior citizens will be attended to in an effective and efficient manner. It was concluded therefore, that the benefits of removing the competitive advantage were less than the costs and as a result the principles of National Competition Policy should not be introduced.

Waste Management Services

The City has been providing a domestic refuse collection service for the past 28 years. The weekly household refuse removal service has been complemented by the inclusion of fortnightly collection of recyclables as well as three verge annual greenwaste and junk collections.

The current pricing policy of the City has set the annual refuse removal fee on the basis of recovering the majority of the costs incurred for providing these range of services. While full cost pricing is implicit in determining a pricing policy under National Competition Policy, this does not mean that the City must charge the full cost of the service if it considers that this is outweighed by social welfare, equity considerations and other community service obligations.

The verge greenwaste and junk collection service could legitimately be described as a community service obligation. The activities are undertaken as a result of council direction and for the general interests, convenience and assistance of the community as a whole. As a consequence, an argument exists for the cost of the service to be financed from the general purpose revenue of the City rather than from the revenue of the waste management service. An analysis of the costs and benefits concluded that the benefits of removing the competitive advantage were less than the costs and therefore it was decided that competitive neutrality should not be introduced to the verge collection service.

The removal of these verge collection costs from the pricing policy formula reveals that all costs associated with competitive neutrality for the domestic and recycling refuse collection are being recovered from the annual refuse collection fees and charges. A comparison of this annual charge with other local governments in the metropolitan area also indicates that the City of Canning charge is at the lower end of the scale.

In regard to the Ranford Road landfill site operations, a competitive neutrality review has disclosed that the full cost pricing principles of National Competition have been introduced.

Recreation Management Service - Community Halls and Centres

The Community Halls and Centres are used for a wide variety of recreational and cultural pursuits and the ongoing operation of them by the City will continue to benefit and provide opportunities to enhance the lifestyles of the community as a whole.

While full cost pricing is implicit in determining a pricing policy under National Competition Policy, this does not mean that the City must charge the full cost of the service if it considers that this is outweighed by social welfare, equity considerations and other community service obligations.

The halls and community centres have a low cost recovery and to fully recover these costs, it would be necessary for the fees and charges to be substantially increased. This would result in fewer people using the facilities and an even lower cost recovery being achieved. An analysis of the costs and benefits revealed that the advantages arising from local government ownership and management of these business activities should be retained and therefore it was concluded that the principles of competitive neutrality should not be introduced.

Recreation Management Service - Sportfields and Associated Facilities

The sports grounds and associated facilities are used for a wide variety of recreational pursuits and the ongoing operation of them by the City will continue to benefit and provide opportunities to enhance the lifestyles of the community as a whole. They do however, have a low cost recovery and to fully recover these costs it would be necessary for the fees and charges to be increased substantially. This may result in fewer people using the facilities and an even lower cost recovery being achieved.

An analysis of the costs and benefits reveals that the advantages arising from local government ownership of these facilities should be retained and therefore it was concluded that the full cost pricing principles of competitive neutrality should not apply.

Human Resources Management Services

The Service does not generate any income from fees and charges and as a consequence it is entirely dependent on the City to finance the ongoing operations of the Service. In view of the fact that all operating costs of the Service are allocated to all the other functions and activities of the City, there are no benefits to be derived from the application of the National Competition Policy to the business plan of this Service.

Plant and Equipment Management Services

The application of the National Competition Policy to these functions and activities has established the full cost pricing principles of the policy is being applied, in others it was concluded there were no benefits arising from the application of this policy and therefore the neutrality principles of the policy were not introduced.

Road Reserve Management Services

The services and facilities provided by the Road Reserve Management Service are in the main classified as both statutory and discretionary. Statutory, as the road reserves have, pursuant to the Land Act, been placed under the care control and management of local government whose responsibility it is to develop and maintain vehicle thoroughfares to all properties in the district, and discretionary as there is an expectation of the community for these thoroughfares to be constructed to a standard that enhances and strengthens the economic and social environment of the local government.

The City considers the level of development and maintenance of these thoroughfares are community service obligations, the quality of them contributing to the general promotion of the City and importantly, meeting the priority needs of the community as a whole. Another National Competition Policy principle relates to the establishment by a local government of processes and procedures to encourage competition. The policies and procedures of the Road Reserve Management Service have embraced this concept, ensuring where practicable the private sector is invited to tender for the supply of works and services required by the City. In addition, the tax equivalent payments of competition policy, while not being included in the financial statements appended to this plan or the pricing policy, are included with in-house bids in order that an evaluation can be made with the bids received from the private sector. The application of these principles have been of benefit to the Service and therefore it has been concluded the activities will continue to be subject to competitive outcomes in the future.

Passive Parks and Associated Property Management Services

The services and facilities provided by the Passive Parks and Associated Property Management Service are in the main classified as both statutory and discretionary. Statutory, as the provision of parkland within the community is a requirement of the State Government through the planning legislation of the W A Parliament and discretionary, as there is an expectation of the community for the City to enhance and strengthen the economic and social environment of the local government.

The City considers the development and maintenance of these passive recreation areas and associated facilities are community service obligations, the quality of them contributing to the general promotion of the City and importantly, meeting the priority needs of the community as a whole. Furthermore, these services and facilities are also of the type that would not otherwise be supplied by the private sector due to the lack of potential to generate commercial profits. As a result it is considered the benefits of implementing competition policy do not outweigh the costs of providing the services and facilities by the City and therefore it was concluded the principles of competitive neutrality should not be introduced.

**Statement of Significant Activities to which Competition Neutrality Principles
have not been Applied**

- * Finance and Accounting Services
- * Information Technology
- * Rates and Client Management

The above-mentioned Activities are to be costed as if a Business Unit through the completion of Business Plans to be completed in the 2000/2001 Financial Year.

(1) Legislative Review

The City's Local Laws are in the process of being systemically reviewed.

Actions taken to-date are as follows:

- (a) ByLaws made under the provisions of the Roads Act 1911, The District Act 1919 and the Local Government Act 1960, which are no longer relevant, require appropriate action taken to remove them.

In April 1998 Council adopted a Local Law to revoke the following ByLaws:

<u>Name of Local Law</u>	<u>Date Gazetted</u>	<u>Date of Amendments</u>
General		2.6.16
Regulating Motor Traffic	3.11.16	
Discount of Rates	12.8.21	
Straying Stock		1.5.25
Camping		14.5.26
Appointment of Employees	10.10.41	
Bathing in Canning River	12.3.48	
Coker Park Sportsground	16.4.48	29.2.52
Long Service Leave	24.3.50	
Buildings	9.11.51	9.4.57
	27.11.56	
		5.6.53
Control of Dogs	10.2.56	
Building Line-Riverton Road	28.9.56	
Parking Facilities	10.1.66	22.1.69
Payment of Rates by Instalments	30.8.85	
Carvan Parks and Camping Grounds	26.5.71	

- (b) The Local Law No. 1 - Standing Orders (Meeting Procedure) was reviewed and adopted by the Council on 22 September 1998. The Local Law was updated having regard to changes in Legislation.
- (c) Health Local Laws were reviewed and adopted by the Council on 22 September 1998.
- (d) Council at its meeting held on 27th July 1999 adopted to revoke the following Obsolete and Redundant Local Laws.
- Regulating Motor Traffic By-law published in the Government Gazette 3 November 1916
 - Long Service Leave By-law published in the Government Gazette 24 March 1950
 - Bridges and Weirs By-law published in the Government Gazette 18 January 1952
 - Removal of Verandah By-law published in the Government Gazette 13 June 1962
 - Parking and Parking Facilities By-law published in the Government Gazette 10 January 1966 as amended in the Government Gazette published 12 October 1979
 - Draft Model Bylaw No.17 - Vehicle Wrecking published in the Government Gazette 24 May 1966
 - Draft Model By-law No.8 - Old Refrigerator Cabinets published in the Government Gazette 12 October 1962
 - Quarrying, Excavating and Blasting By-law published in the Government Gazette 25 June 1958 as amended in the Government Gazette published 15 August 1958 and 9 August 1967
 - Crossing Places By-law published in the Government Gazette 23 April 1969
 - Swimming By-law published in the Government Gazette 4 June 1970 as amended in the Government Gazette published 16 February 1973, 28 February 1975, 17 October 1975, 24 December 1976 and the 23 May 1980.
 - Caravan Parks and Camping Grounds By-law published in the Government Gazette 26 May 1971
 - Public Halls and Community Halls By-law published in the Government Gazette 23 January 1973 as amended in the Government Gazette published 19 April 1984
 - Public Reserves By-law published in the Government Gazette 16 February 1973 as amended in the Government Gazette published 20 May 1977 and 19 January 1979
 - Access Across Footpaths, Damage to Kerbing and Footpath By-law published in the Government Gazette 30 September 1966 as amended in the Government Gazette published 19 January 1979
 - Care, Control and Management of Roads and Ways By-law published in the Government Gazette 2 March 1979 as amended in the Government Gazette published 28 September 1979
 - Public Golf Course By-law published in the Government Gazette 19 March 1982
 - Dog By-law published in the Government Gazette 7 July 1989 as amended in the Government Gazette published 12 November 1993
 - Use of Foreshores By-law published in the Government Gazette 21 May 1982
 - Removal of Materials By-law published in the Government Gazette 11 January 1991
 - Street Lawns and Gardens By-law published in the Government Gazette 12 April 1991
 - Beekeeping By-laws published in the Government Gazette 12 July 1991

Obsolete and Redundant Local Laws cont ...

- Hawkers, Stallholders and Street Traders By-law published in the Government Gazette 2 October 1992
- Parking and Parking Facilities By-law published in the Government Gazette 30 October 1992
- Signs, Hoardings and Billposting By-law published in the Government Gazette 8 July 1994
- Operations of the City of Canning Refuse and Recycling Facility published in the Government Gazette 28 October 1994
- Fencing By-law published in the Government Gazette 24 October 1996
- Draft Model By-law No.3 - Regulating Construction, Establishment, Operation and Maintenance of Motels as published in the Government Gazette 6 January 1966.

and to Redraft and Consolidate Provisions of existing Local Laws into new Parts namely:

Parks, Reserves & Foreshores

Council Property, Public Swimming Pools, Public Golf Courses and Recreation Facilities

Animal in Public Places and Beekeeping

Dogs

Bridges and Weirs

Operations of Refuse and Recycling Facility

Quarrying, Excavating and Blasting

Streets and Public Places

Hawkers, Stallholders and Street Traders

Parking and Parking Facilities

Fencing

Signs and Hoardings

and to provide new local laws covering -

Verge Treatments - details permitted treatments and obligations of owners/occupiers of abutting properties Rubbish, Disused and Stored Things - details action to be taken concerning matters adversely affecting land in a locality

Rubbish, Disused and Stored Things - details action to be taken concerning matters adversely affecting land in a locality.

Council on the 14th March 2000 resolved to make the following Local Laws and were gazetted on 31st March 2000 as the City of Canning Consolidated Local Laws:

- * Part I - Repealed, Citation and Application of Local Laws
- * Part II - General Interpretation
- * Part III - Parks, Reserves and Foreshores
- * Part IV - Council Property, Public Swimming Pools, Public Golf Courses and Recreation Facilities
- * Part V - Animals in Public Places and Bee Keeping
- * Part VI - Dogs
- * Part VII - Bridges and Weirs
- * Part VIII - Operation of Refuse and Recycling Facility
- * Part IX - Quarrying, Excavating and Blasting
- * Part X - Streets and Public Places
- * Part XI - Hawkers, Stallholders and Street Traders
- * Part XII - Verge Treatments
- * Part XIII - Parking and Parking Facilities`
- * Part XIV - Fencing
- * Part XV - Rubbish, Disused and Stored Things
- * Part XVI - Signs & Hoardings & Bill Posting
- * Part XVII - Enforcement of Local Laws
- * Part XVIII - Objections and Appeals and Miscellaneous

The review of the above-mentioned Consolidated Local Laws incorporated the assessment as to whether the Local Laws were anti-competitive as required by the National Competition Policy.

The City has now completed a review of all its Local Laws.

(3) Structural Reform

The City of Canning did not privatise any Activities in 1999/2000. Consequently, there were no obligations for Structural Reform.

STATEMENT BY CHIEF EXECUTIVE OFFICER

The attached financial report of the City of Canning being the Annual Financial Report and supporting notes and other information for the year ended 30 June 2000 are, in my opinion, properly drawn up to present fairly the financial position of the City of Canning at 30 June 2000 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 Standard AAS 6 "Accounting Policies" and the accompanying notes to the annual financial report) and comply with the provisions of the Local Government Act 1995 and the regulations under that Act.

Signed _____

Name Ian Kinner
Chief Executive Officer

Date 3rd October 2000

**FREEDOM OF
INFORMATION ACT 1992**

*In accordance with the above legislation an
Information Statement has been prepared
as a stand alone document. The Information
Statement is available for perusal at the
Enquiry Counter, Administration Building
and at Council Libraries.*