



# **Monthly Financial Activity Report**

**For the period ending**

**30 April 2014**

# SHIRE OF BROOME

## Monthly Financial Activity Report

For the period ending

30 April 2014

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#### **DISCLAIMER**

This is a special purpose report prepared for the use of staff and Councillors, although results are un-audited until 30th June.

**SHIRE OF BROOME**  
**STATEMENT OF FINANCIAL ACTIVITY - OPERATING**

For the period ending

30 April 2014

	Actual to YTD Budget Variance	Actual YTD	Budget YTD	Actual % of Forecast Budget	Annual Forecast Budget	Annual Budget
OPERATING REVENUE & EXPENSES	%	\$	\$	%	\$	\$
<b>Revenue</b>						
Governance	66%	2,094,409	6,137,807	34%	6,150,487	192,600
General Purpose Funding						
Rates Raised	1%	18,607,934	18,457,583	101%	18,485,945	18,420,245
Other General Purpose Funding	1%	662,779	667,750	75%	884,000	865,000
Law, Order And Public Safety	9%	92,096	102,920	75%	122,501	197,906
Health	10%	157,610	142,098	97%	163,268	124,000
Education And Welfare	10%	96,546	107,455	90%	107,455	56,300
Housing	15%	534,652	454,960	98%	543,258	529,798
Community Amenities	4%	6,379,362	6,663,736	88%	7,289,764	7,147,533
Recreation And Culture	1%	974,946	961,973	84%	1,157,763	1,193,913
Transport	14%	545,857	637,418	82%	663,818	663,818
Economic Services	10%	869,062	773,307	95%	913,757	1,001,640
Other Property And Services	4%	2,326,464	2,208,299	88%	2,633,125	2,315,618
<b>Total Revenue</b>	10%	33,341,717	37,315,306	<b>85%</b>	39,115,141	32,708,371
<b>Expenses</b>						
Governance	51%	3,935,496	8,544,695	44%	8,980,648	3,099,729
General Purpose Funding	14%	132,049	162,660	61%	217,172	152,672
Law, Order And Public Safety	10%	1,177,032	1,341,766	75%	1,570,239	1,534,117
Health	2%	557,744	571,685	80%	693,228	751,341
Education And Welfare	11%	527,203	608,897	73%	723,506	700,006
Housing	12%	536,058	471,298	96%	559,606	536,806
Community Amenities	5%	7,253,655	7,742,380	76%	9,550,116	9,562,428
Recreation And Culture	6%	7,361,596	7,920,195	77%	9,563,414	9,532,926
Transport	7%	4,897,974	5,325,252	77%	6,396,895	6,276,695
Economic Services	3%	1,041,206	1,083,220	78%	1,337,790	1,274,764
Other Property And Services	9%	1,780,783	1,986,828	75%	2,380,324	2,130,180
<b>Total Expenses</b>	16%	29,200,796	35,758,876	<b>70%</b>	41,972,938	35,551,664
<b>NET OPERATING SURPLUS/(DEFICIT)</b>		<b>4,140,921</b>	<b>1,556,430</b>		<b>(2,857,797)</b>	<b>(2,843,293)</b>
				NB: % of year elapsed	<b>83%</b>	

# SHIRE OF BROOME

## STATEMENT OF FINANCIAL ACTIVITY - NON OPERATING

For the period ending 30 April 2014

	Actual to YTD Budget Variance	Actual YTD	Budget YTD	Actual % of Forecast Budget	Annual Forecast Budget	Annual Budget
ASSET PROCUREMENT	%	\$	\$	%	\$	\$
<b>Grants and Contributions for Assets</b>						
Housing	35%	1,628,842	2,510,600	65%	2,510,600	2,510,600
Community Amenities	43%	30,400	98,770	19%	157,200	170,560
Recreation And Culture	58%	42,763	599,763	4%	957,263	1,320,169
Transport	0%	1,371,789	1,369,186	73%	1,890,393	2,775,478
Other Property And Services	100%	-	170,000	0%	170,000	160,000
<b>Total Grants and Contributions for Assets</b>	<b>29%</b>	<b>3,073,794</b>	<b>4,748,319</b>	<b>54%</b>	<b>5,685,456</b>	<b>6,936,807</b>
<b>Investments in Assets</b>						
Land and Buildings - New	34%	2,038,960	3,114,150	64%	3,180,700	3,370,700
Land and Buildings - Upgrade	59%	163,426	744,500	17%	977,000	1,085,000
Land and Buildings - Renewal	22%	349,209	488,039	56%	618,525	665,025
Works in Progress Land & Buildings	90%	22,236	220,000	10%	220,000	391,000
Infrastructure Assets - New	56%	409,795	1,439,203	22%	1,844,788	2,677,570
Infrastructure Assets - Upgrade	34%	973,021	1,721,614	44%	2,225,150	3,644,960
Infrastructure Assets - Renewal	18%	1,577,544	1,941,750	77%	2,054,900	2,185,600
Mobile Plant and Equipment - New	8%	40,799	46,000	62%	66,000	90,000
Mobile Plant and Equipment - Renewal	22%	732,904	546,910	85%	863,000	978,000
Fixed Plant and Equipment - New	47%	273	5,000	3%	10,000	-
Fixed Plant and Equipment - Renewal	30%	6,951	10,000	70%	10,000	10,000
Furniture and Equipment - New	52%	88,558	240,900	30%	292,985	291,985
<b>Total Investments in Assets</b>	<b>33%</b>	<b>6,403,676</b>	<b>10,518,066</b>	<b>52%</b>	<b>12,363,048</b>	<b>15,389,840</b>
<b>Proceeds From Sale of Assets</b>						
Less Proceeds on the sale of Assets	25%	(93,000)	(47,500)	52%	(180,000)	(277,000)
<b>Proceeds From Sale of Assets</b>	<b>25%</b>	<b>(93,000)</b>	<b>(47,500)</b>	<b>52%</b>	<b>(180,000)</b>	<b>(277,000)</b>
<b>NET ASSET PROCUREMENT REVENUE/(EXPENSE)</b>		<b>(3,236,882)</b>	<b>(5,722,247)</b>		<b>(6,497,592)</b>	<b>(8,176,033)</b>

# SHIRE OF BROOME

## STATEMENT OF FINANCIAL ACTIVITY - NON OPERATING

For the period ending 30 April 2014

	Actual to YTD Budget Variance	Actual YTD	Budget YTD	Actual % of Forecast Budget	Annual Forecast Budget	Annual Budget
	%	\$	\$	%	\$	\$
<b>FINANCING ACTIVITIES</b>						
<b>Self Supporting Loans</b>						
Payment Received for S/S Loans	0%	9,356	9,356	49%	18,981	18,981
Repayment of Self Supporting Loans	0%	9,356	9,356	49%	18,981	18,981
<b>Net Self Supporting Loan Revenue/(Expenses)</b>	-	-	-		-	-
<b>Council Loans</b>						
Repayment of Council Loans	1%	837,807	847,714	69%	1,221,968	1,221,968
<b>Net Council Loan Revenue/(Expenses)</b>	1%	<b>(837,807)</b>	<b>(847,714)</b>		<b>(1,221,968)</b>	<b>(1,221,968)</b>
<b>Reserve Transfers</b>						
Transfers from Reserves (Restricted Assets)	76%	10,267	4,082,939	0%	5,371,615	6,246,290
Transfers to Reserves (Restricted Assets)	11%	2,579,382	2,998,125	69%	3,724,229	2,360,622
<b>Net Reserve Transfer Revenue/(Expenses)</b>	222%	<b>(2,569,115)</b>	<b>1,084,814</b>		<b>1,647,386</b>	<b>3,885,668</b>
<b>NET FINANCE REVENUE/(EXPENSE)</b>		<b>(3,406,922)</b>	<b>237,100</b>		<b>425,418</b>	<b>2,663,700</b>
<b>NET NON OPERATING REVENUE/(EXPENSE)</b>		<b>(6,643,804)</b>	<b>(5,485,147)</b>		<b>(6,072,174)</b>	<b>(5,512,333)</b>

**SHIRE OF BROOME**  
**STATEMENT OF FINANCIAL ACTIVITY - CASH SUMMARY**

For the period ending 30 April 2014

	Actual YTD	Budget YTD	Annual Forecast Budget	Annual Budget
	\$	\$	\$	\$
<b>NET OPERATING SURPLUS/(DEFICIT)</b>	<b>4,140,921</b>	<b>1,556,430</b>	<b>(2,857,797)</b>	<b>(2,843,293)</b>
<b>NET NON OPERATING REVENUE/(EXPENSE)</b>	<b>(6,643,804)</b>	<b>(5,485,147)</b>	<b>(6,072,174)</b>	<b>(5,512,333)</b>
<b>NET OVERALL REVENUE/(EXPENSE)</b>	<b>(2,502,883)</b>	<b>(3,928,717)</b>	<b>(8,929,971)</b>	<b>(8,355,626)</b>

**Adjustments to Determine the Cash Position**

- Depreciation	4,914,422	5,044,500	6,131,400	6,521,400
- Net Accrued (Income)/Expenditure	(108,412)	(9,420)	(10,241)	(10,241)
- (Profit)/Loss on sale of assets	30,683	(13,712)	576	25,576
- Surplus/(Deficit) brought forward	2,453,448	2,453,448	2,453,448	1,818,891
- Plant Costs Over/(Under) allocated	-	-	390,000	-
<b>CASH SURPLUS/(DEFICIT)</b>	<b>4,787,258</b>	<b>3,546,099</b>	<b>35,212</b>	<b>-</b>

**Reconciliation to the Statement Of Net Current Assets**

- Add back Net Accrued (Income)/Expenditure	108,412
- Leave Reserve transfers offsetting Leave Provisions	38,092
- Timing and Rounding Adjustments	(1,137)
<b>CURRENT POSITION</b>	<b>4,932,625</b>

**Materiality Notes:**

1. The Forecast Budget represents 0.11 % Surplus of the budgeted operating revenue excluding grants and contributions for assets and profit on sale of assets.  
Should the Forecast Budget predict a Deficit more than 1% (\$326,569) of the budgeted operating revenue excluding grants and contributions for assets and profit on sale of assets, an action plan to remedy the situation will be prepared in accordance with Finance Policy 2.1.1.
2. The "Actual to YTD Budget Variance %" is calculated by dividing the difference between the Actual YTD and Budget YTD by the Forecast budget.  
Should the "Actual to YTD Budget Variance %" be more than 10% then commentary on the variance will be prepared in accordance with Finance Policy 2.1.1.

**SHIRE OF BROOME**  
**STATEMENT OF NET CURRENT ASSETS**

30 April 2014

	Actual \$ To Date	Change In \$ April	Actual \$ At 31 Mar 2014	Actual \$ At 30 Jun 2013
<b>CURRENT ASSETS</b>				
<b>Cash Assets</b>				
Cash on hand	3,750	-	3,750	2,850
Cash at Bank - Unrestricted	3,623,093	(1,373,749)	4,996,842	3,097,597
Cash Reserves - Restricted	25,197,874	59,352	25,138,522	22,628,759
<b>Total Cash Assets</b>	<b>28,824,717</b>	<b>(1,314,397)</b>	<b>30,139,114</b>	<b>25,729,206</b>
<b>Receivables</b>				
Sundry Debtors	1,412,317	(543,098)	1,955,415	2,420,853
Rates and Rubbish Debtors	1,133,198	(1,097,363)	2,230,561	489,298
<b>Total Receivables</b>	<b>2,545,515</b>	<b>(1,640,461)</b>	<b>4,185,976</b>	<b>2,910,151</b>
<b>Other Assets</b>				
Sundry Provisions and Accruals	55,861	2,640	53,221	313,480
Inventories	10,234	(16,095)	26,329	34,681
Self Supporting Loan Principle Receivable	9,625	-	9,625	18,981
<b>Total Other Assets</b>	<b>75,720</b>	<b>(13,455)</b>	<b>89,175</b>	<b>367,142</b>
<b>Adjustments for Excluded Assets</b>				
Reserves & Other Restricted Cash	(25,197,874)	(59,352)	(25,138,522)	(22,628,759)
Self Supporting Loans Principal Receivable	(9,625)	-	(9,625)	(18,981)
<b>Total Excluded Assets</b>	<b>(25,207,499)</b>	<b>(59,352)</b>	<b>(25,148,147)</b>	<b>(22,647,740)</b>
<b>TOTAL CURRENT ASSETS</b>	<b>6,238,453</b>	<b>(3,027,665)</b>	<b>9,266,118</b>	<b>6,358,759</b>
<b>CURRENT LIABILITIES</b>				
<b>Cash Liabilities</b>				
Loan Principal Payable	393,785	-	393,785	1,240,948
<b>Total Cash Liabilities</b>	<b>393,785</b>	<b>-</b>	<b>393,785</b>	<b>1,240,948</b>
<b>Trade and Other Payables</b>				
Sundry Creditors	560,177	(783,530)	1,343,707	2,139,607
Other Payables	537,705	(584,626)	1,122,331	1,387,254
<b>Total Creditor and Payables</b>	<b>1,097,882</b>	<b>(1,368,156)</b>	<b>2,466,038</b>	<b>3,526,861</b>
<b>Employee Provisions and Accruals</b>				
Leave Provisions	1,932,345	-	1,932,345	1,932,345
Accruals	260	(446,432)	446,692	132,672
<b>Total Provisions</b>	<b>1,932,605</b>	<b>(446,432)</b>	<b>2,379,037</b>	<b>2,065,017</b>
<b>Excluded Liabilities</b>				
Loan Principal Payable	(393,785)	-	(393,785)	(1,240,948)
Employee Liabilities Cash Backed in Reserves	(1,724,659)	-	(1,724,659)	(1,686,567)
<b>Total Excluded Liabilities</b>	<b>(2,118,444)</b>	<b>-</b>	<b>(2,118,444)</b>	<b>(2,927,515)</b>
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,305,828</b>	<b>(1,814,588)</b>	<b>3,120,416</b>	<b>3,905,311</b>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>	<b>4,932,625</b>	<b>(1,213,077)</b>	<b>6,145,702</b>	<b>2,453,448</b>

**SHIRE OF BROOME**  
**Monthly Statement of Financial Activity**  
**For The Period Ending 30 April 2014**

**NOTES TO THIS MONTH'S REPORT**

**OVERVIEW**

Budget forecast changes were made in April 2014. All of these were presented to council at the Ordinary Council meeting on 24 April 2014. These were the result of the third quarter Financial And Costing Review (FACR) and presented via the Audit Committee to council in item 12.4. Please see the minutes and associated attachments for full details.

With typical operating expenditure and income during the month and significant expenditure on assets the Current Position has decreased by \$1,213K since last month to be a \$4,933K surplus.

52% of the investment in asset expenditure 2013/2014 budget has been expended, up from 43% last month.

54% of the grant and contribution income 2013/2014 budget has been received, up from 49% last month.

A large number of forecast changes were adopted at the council meeting on 24 April 2014, reflecting a net saving of \$298,731. Based on the forecast changes now endorsed by Council, and the audited surplus of \$2,453,448 from the 2013 year, the predicted surplus as at 30 June 2014 is anticipated to be \$35,212.

It should be noted that the last pay of April 2014 will be recognised in May 2014.

**GOVERNANCE**

Services in Governance include Councillor expenses, Councillor support services, Kimberley Regional Collaborative Group (KRCG) and general civic and community services.

OPERATING ACTIVITIES

Operating budget forecast changes were made this month, as the result of the third quarter FACR, and identified a \$62K net reduction in expenses.

The Actual Year To Date (YTD) Operating Revenue budget variance results from the amended budget for the Key Worker Housing grant funding in KRCG Accounts which now reflects the full 2013-2014 funding of \$5,456K. However only \$1,629K has been received.

The Actual YTD Operating Expense budget variance results from the amended budget for the forwarding of Key Worker Housing grant funding in KRCG Accounts which now reflects the full 2013-2014 amount to be forwarded of \$5,456K. However only \$1,629K has been forwarded.



## NON-OPERATING ACTIVITIES

Non-Operating budget forecast changes were made this month, as the result of the third quarter FACR, and identified a \$28K net increase in expenses.

The total budget forecast changes reported to Council to date produced a net forecast indicating that the Governance programme is expected to produce a \$22K surplus on the predicted end of year result.

## **GENERAL PURPOSE FUNDING**

Services in General Purpose Funding include collection of rates, property related income and expenses and grant income and grant related expenses.

## OPERATING ACTIVITIES

The rates have now been levied and the first, second and third quarterly Financial Assistance Grant instalments received.

Operating budget forecast changes were made this month, as the result of the third quarter FACR, and identified a \$43K net reduction in expenses.

The Actual YTD Budget expense variance is because to-date there is little expenditure on the Rates Review to determine land use. Of the \$60K Budget YTD none has been spent.

## NON-OPERATING ACTIVITIES

No Non-Operating budget forecast changes were required this month.

The total budget forecast changes reported to Council to date produced a net forecast indicating that the General Purpose Funding programme is expected to produce a \$20K surplus on the predicted end of year result.

## **LAW ORDER AND PUBLIC SAFETY**

Services provided in Law Order and Public Safety includes; emergency management, ranger operations, fire prevention, animal control, law enforcement, beach lifeguard, Volunteer Bush Brigade and the Volunteer State Emergency Service support.

## OPERATING ACTIVITIES

Operating budget forecast changes were made this month, as the result of the third quarter FACR, and identified a \$68K net increase in expenses.

The Actual YTD Budget expense variance is because there are many areas in which expenditure is less than expected for this time of the year. The most significant area being in overall ranger related salaries, of the \$534K Budget YTD \$384K has been spent. This is in part because last pay of April 2014 will be recognised in May 2014.

## NON-OPERATING ACTIVITIES

Non-Operating budget forecast changes were required this month, as the result of the third quarter FACR, and identified a \$7K net reduction in expenses.

The total budget forecast changes reported to Council to date produced a net forecast indicating that the Law Order & Public Safety programme is expected to produce a \$176K surplus on the predicted end of year result.

## **HEALTH**

Services provided in Health include health inspections, pool inspections and pest control.

## OPERATING ACTIVITIES

Operating budget forecast changes were made this month, as the result of the third quarter FACR, and identified a \$54K net reduction in expenses.

The Health Operating Actual YTD Revenue budget variance is because a significant number of health licenses for local businesses were paid quickly following notices being issued in early December 2013.

## NON-OPERATING ACTIVITIES

No Non-Operating budget forecast changes were required this month.

The total budget forecast changes reported to Council to date produced a net forecast indicating that the Health programme is expected to produce a \$97K surplus on the predicted end of year result.

## **EDUCATION AND WELFARE**

Services provided in Education and Welfare includes provision of child and aged care facilities, community services and the HYPE programme.

## OPERATING ACTIVITIES

Operating budget forecast changes were made this month, as the result of the third quarter FACR, and identified a \$23K net reduction in expenses.

The Health Operating Actual YTD Revenue budget variance is because the \$40K reimbursement of Legal Costs awarded in Supreme Court with respect to the Beach Polo case is yet to be received.

The most significant component of the Actual YTD Expense Budget variance is Community Services legal expenses. Of the \$52K YTD budget \$23K has been spent.

## NON-OPERATING ACTIVITIES

No Non-Operating budget forecast changes were required this month.

The total budget forecast changes reported to Council to date produced a net forecast indicating that the Education & Welfare programme is expected to produce a \$28K surplus on the predicted end of year result.

## **HOUSING**

The service provided in Housing is the provision of Staff Housing.

## OPERATING ACTIVITIES

Operating budget forecast changes were made this month, as the result of the third quarter FACR, and identified a \$9K net increase in expenses.

The Actual YTD budget variance for both revenue and expenditure is because the rate of rental income and expense is higher than expected and some properties have not been budgeted for. All expenses are recouped from the tenant.

## NON-OPERATING ACTIVITIES

Non-Operating budget forecast changes were required this month, as the result of the third quarter FACR, and identified a \$3K net increase in expenses.

The Actual YTD Budget variance for Grant For Procurement Of Asset Revenue is because only \$1,629K of the \$2,510K grant for staff housing purchase has been received. The balance of the grant is expected in the final quarter.

The major part of the Actual YTD Budget variance for Land and Buildings – New expenditure is the results from the acquisition of four dwellings under the Key Worker Housing Programme, with \$1,951K of the \$2,971K Budget YTD spent. Two additional properties are awaiting the issue of Certificates of Title and will be purchased end of May/early June 2014.

The Actual YTD Budget variance for Fixed Plant and Equipment – New is expenditure to replace faulty closed circuit television equipment at the cemetery. Of the \$5K Budget YTD none has been spent.

The total budget forecast changes reported to Council to date produced a net forecast indicating that the Housing programme is expected to produce a \$12K deficit on the predicted end of year result.

## **COMMUNITY AMENITIES**

Services provided in Community Amenities include rubbish collection and recycling, refuse site operations, litter control, sewerage, storm water drainage, town planning, regional development, protection of the environment, cemeteries and public toilets.

### OPERATING ACTIVITIES

Operating budget forecast changes were made this month, as the result of the third quarter FACR, and identified a \$32K net increase in expenses.

### NON-OPERATING ACTIVITIES

Non-Operating budget forecast changes were required this month, as the result of the third quarter FACR, and identified a \$336K net reduction in expenses.

The Actual YTD Budget variance for Grant For Procurement Of Asset Revenue is because the \$90K Rangelands Natural Resource Management (NRM) grant to fund Anne St Drainage has not yet been received and Stormwater Drainage contributions are less than expected for this time of the year.

A part of the Actual YTD Budget variance for Land and Buildings – New expenditure is the expenditure on public shade in Chinatown with \$83K of the \$144K Budget YTD spent.

Part of the Actual YTD Budget variance for Infrastructure Assets - New is the expenditure on the Refuse Site new Green Waste Development, \$77K of the \$302K YTD budget has been spent.

The most significant components of the Actual YTD Budget variance for Infrastructure Assets - Renewal are the Frederick Street and Cable Beach Amphitheatre drainage projects, with \$13K in preliminary works undertaken against the \$162K YTD budget.

The total budget forecast changes reported to Council to date produced a net forecast indicating that the Community Amenities programme is expected to produce a \$169K surplus on the predicted end of year result.

## **RECREATION AND CULTURE**

Services provided in Recreation and Culture include the provision of public halls, library services, arts and cultural facilities and support services, coordination of recreation facilities, parks and gardens, Broome Civic Centre, Broome Recreation and Aquatic Centre (BRAC) and other recreation facilities.

### OPERATING ACTIVITIES

Operating budget forecast changes were made this month, as the result of the third quarter FACR, and identified a \$106K net increase in expenses.

## NON-OPERATING ACTIVITIES

Non-Operating budget forecast changes were required this month, as the result of the third quarter FACR, and identified a \$38K net reduction in expenses.

The Actual YTD Budget variance for Procurement of Asset Revenue is because the:

- \$250K grant for the Broome Civic Centre construction has not been received;
- \$337K grant for the new boat ramp is only partly received;
- \$250K grant for the Haynes Oval floodlighting upgrade has not been received;
- \$77K grant for the BRAC tennis courts renewal works has not been received.

Part of the Actual YTD Budget variance for Infrastructure Assets - Renewal is the low rate of expenditure on the BRAC tennis courts renewal works, of the \$80K YTD budget \$49K has been spent.

Part of the Actual YTD Budget variance for Infrastructure Asset Upgrade is associated with the Haynes Oval Floodlighting Upgrade project, with \$30K of preliminary project-management spent of a \$500K YTD Budget.

Part of the Actual YTD Budget variance for Infrastructure Assets - New is expenditure on the:

- Town Beach Launching Ramp works, \$23K of the \$283K YTD budget is spent;
- Town Beach to Catalinas Infrastructure, \$11K of the \$73K YTD budget is spent.

The Actual YTD Budget variance for Fixed Plant & Equipment – Renewal is associated with reduced expenditure required at BRAC.

The total budget forecast changes reported to Council to date produced a net forecast indicating that the Recreation & Culture programme is expected to produce a \$197K deficit on the predicted end of year result.

## **TRANSPORT**

Services provided in Transport include the construction and maintenance of bus shelters, roads, footpaths, car parks and street lighting and the management of parking.

## OPERATING ACTIVITIES

Operating budget forecast changes were made this month, as the result of the third quarter FACR, and identified an \$18K net increase in expenses.

The Actual Year to Date Budget variance for Revenue is because the Budget Year to Date calculations assumed the Western Australian Grants Commission Untied Road Grant would be received in April but this did not occur. This is now expected in May.

## NON-OPERATING ACTIVITIES

Non-Operating budget forecast changes were required this month, as the result of the third quarter FACR, and identified a \$34K net increase in expenses.

Part of the Actual YTD Budget variance for Infrastructure Assets - Renewal is the result of expenditure on several road and footpath renewal projects, with \$1,456K of the \$1,581K YTD budget having been spent.

Actual YTD Budget variance for Infrastructure Assets - New is associated with several footpath construction jobs and the Frederick Street bus shelter, with \$143K of the \$337K YTD budget having been spent.

Part of the Actual YTD Budget variance for Infrastructure Asset Upgrade is expenditure on the De Castilla Street Rehabilitation and Upgrade works, with \$140K of the \$1,581K YTD budget having been spent.

The total budget forecast changes reported to Council to date produced a net forecast indicating that the Transport programme is expected to produce a \$755K deficit on the predicted end of year result.

## **ECONOMIC SERVICES**

Services provided in Economic Services include tourism and building control.

### OPERATING ACTIVITIES

Operating budget forecast changes were made this month, as the result of the third quarter FACR, and identified a \$4K net increase in expenses.

The Actual Year to Date Budget variance for Revenue is because:

- Income from Roebuck Bay Caravan Park lease and outgoing reimbursements is higher than expected;
- Income from Broome Visitors Centre leases and outgoing reimbursements is higher than expected;
- A \$5K grant for the Royal Show guest town promotion has been received.

### NON-OPERATING ACTIVITIES

Non-Operating budget forecast changes were required this month, as the result of the third quarter FACR, and identified an \$8K net reduction in expenses.

Part of the actual YTD Budget variance for Land and Buildings - Renewal is expenditure on the Roebuck Bay Caravan Park Building Renewal works, of the \$98K Budget YTD Budget \$38K has been spent.

The total budget forecast changes reported to Council to date produced a net forecast, indicating that the Economic Services programme is expected to produce a \$93K deficit on the predicted end of year result.

## **OTHER PROPERTY AND SERVICES**

Council activities in Other Services include private works, engineering services overheads, plant overheads, corporate governance support, information technology management and leased property management.

### OPERATING ACTIVITIES

Operating budget forecast changes were made this month, as the result of the third quarter FACR, and identified a \$176K net increase in expenses.

### NON-OPERATING ACTIVITIES

Non-Operating budget forecast changes were required this month, as the result of the third quarter FACR, and identified a \$187K net reduction in expenses.

The Actual YTD Budget variance for Procurement Of Asset Revenue is less than expected as the grants and contributions for expenditure on community facility assets has not been received.

The majority of the Actual YTD Budget variance for Land and Buildings - Upgrade is related to the Kimberley Regional Offices (KRO) Upgrade works, of the \$675K the Budget YTD \$104K has been spent to date for associated pre-feasibility works.

Part of the Actual YTD Budget variance for Land and Buildings - Renewal is expenditure on the Shire Office Building in Haas Street Renewal works, of the \$45K Budget YTD \$12K has been spent.

Actual YTD Budget variance for Works in Progress Land and Buildings is associated with the Broome Motor Sports Complex Phase 1 works. Of the \$220K the Budget YTD \$22K has been spent. A purchase order to the value of \$124K is outstanding.

The majority of the Actual YTD Budget variance for Mobile Plant and Equipment – Renewal is because the Works and Parks Gardens replacement plant programs are well advanced. Of the \$445K Budget YTD \$585K has been spent. The current annual budget for this expenditure is \$687K.

The majority of the Actual YTD Budget variance for Proceeds on the sale of Assets is because the Works and Parks Gardens replacement plant programs are well advanced. Of the \$47K Budget YTD \$68K has been received.

The majority of the Actual YTD Budget variance for Furniture and Equipment – New is linked to Information Technology Hardware and Software, with the \$222K YTD Budget \$76K having been spent.

The total budget forecast changes reported to Council to date produced a net forecast indicating that the Other Property & Services programme is expected to produce a \$30K deficit on the predicted end of year result.

## **FINANCIAL ACTIVITY NON OPERATING**

### **Reserve Transfers**

Transfers to reserves to date include:

- Interest earned on deposits.
- Long term Financial Plan allocations.
- The budgeted allocations associated with the Refuse Site (Waste Management Levy and Profit on Operations) to the Refuse Reserve and the Resource Recovery Park Reserve respectively.
- Part of the 2012-2013 operational surplus to the Road Reserve.
- Footpath contributions received to the Footpath Reserve
- Part of the 2012-2013 operational surplus to the Plant Reserve.

To maximise value against the specific purpose Reserve accounts are held for, it has been planned to defer transfers from Reserves for as long as possible. Based on term deposit holdings, a scheduled and structured Transfer from specific Reserves recognising expenditure incurred to ~end May 2014 will occur on or about the 30<sup>th</sup> May 2014 to assist in Cash-flow for year-end.

Full disclosure of the current position of all Reserves Council operates is shown on page 16 of this report.

## **ADJUSTMENTS TO DETERMINE THE CASH POSITION**

### **Budget Allocations**

Forecast changes with respect to overall plant depreciation and its allocation to Plant Costs have been made this year.



## **CURRENT POSITION**

### **Cash**

Total Cash Assets stand at \$28.8M, a decrease of \$1.3M.

The major revenue items this month were the receipt of:

- \$406K from Toxfree being Tip charges for December, February and March;
- \$76K in total from a corporate ratepayer.

The major expenditure items this month include payments of:

- \$806K to the Kimberley Property Settlements for the purchase of Broome Shire Key Worker Housing;
- \$248K to Department of Fire and Emergency Services for the 3<sup>rd</sup> quarter contribution;
- \$139K to Toxfree for rubbish and recycling collection services and skip bin emptying.

### **Receivables**

Sundry debtors, including GST refundable, stand at \$1,412K, a decrease of \$543K.

The balance of rates and rubbish debtors stands at \$1,133K, this has decreased \$1,097K over the month as ratepayers paid their rates including the last instalment. The majority of the remaining debtors are on an approved payment plan. Those rates and rubbish debtors which are not on an approved payment plan have been, or are in the process of being, sent to debt collection.

### **Other Assets**

These stand at \$76K, a decrease of \$13K due to a decrease in Inventories.

### **Cash Liabilities**

These stand unchanged at \$394K as no loan principal was repaid.

### **Creditors and Payables**

Sundry Creditors stand at \$560K, having decreased as creditors invoices were paid.

Other Payables comprising Tax Payable, FESA Levy Collected, Accrued Loan Interest, Prepayments Received and accruals stand at \$538K having decreased over the month.

### **Employee Provisions and Accruals**

These figures vary due to transaction timing and end of year accounting adjustments.

Currently leave provisions are \$1,932K and accruals stand at less than \$1K.

## Investments

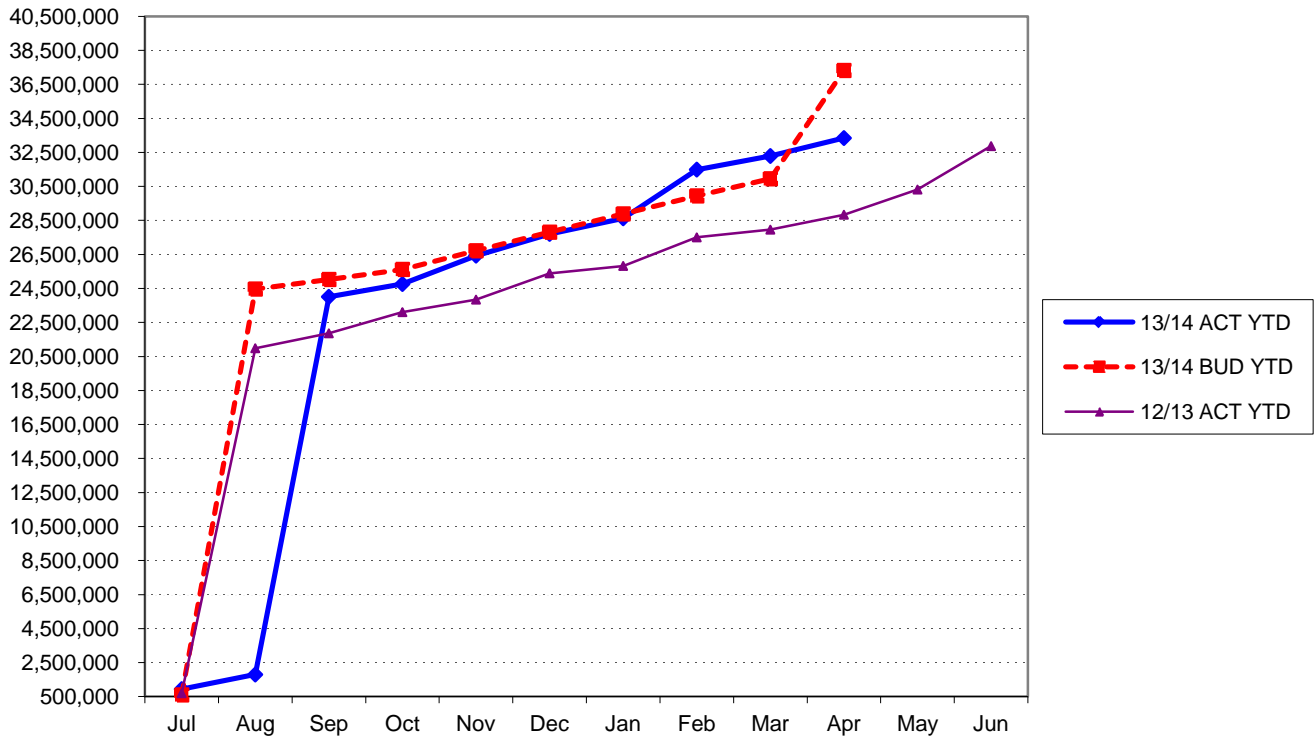
In accordance with investment policy 2.1.2 the nature and location of investments are disclosed as at: 30 April 2014.

MUNICIPAL \$	RESERVE \$	INSTITUTION	INVESTMENT TYPE PRODUCT	RESERVE TYPE	MATURITY	CURRENT INTEREST RATE	
11,250.42		CBA	Premium Business Account	MUNICIPAL CASH	At Call	1.00%	
3,200,000.00		CBA	Business Online Cash Account		At Call	2.40%	
8,076.28		WATC	O/night Cash Deposit Facility		At Call	2.45%	
	1,719,112.13	Bankwest	Term Deposit 2 Months	Leave	30/05/2014	3.63%	
	3,438,567.83	Bankwest	Term Deposit 2 Months	Building	30/05/2014	3.63%	
	1,231,429.74	Bankwest	Term Deposit 2 Months	Public Open Space	30/05/2014	3.63%	
	67,064.83	Bankwest	Term Deposit 2 Months	BRAC (Leisure Centre)	30/05/2014	3.63%	
	389,821.04	Bankwest	Term Deposit 2 Months	Car Park	30/05/2014	3.63%	
	313,209.17	Bankwest	Term Deposit 2 Months	IT and Equipment	30/05/2014	3.63%	
	1,890,345.47	Bankwest	Term Deposit 2 Months	Resource Recovery Park	30/05/2014	3.63%	
	178,728.48	Bankwest	Term Deposit 2 Months	Kimberley Zone	30/05/2014	3.63%	
	4,724.96	Bankwest	Term Deposit 2 Months	Community Sponsorship	30/06/2014	3.00%	
	1,657,675.83	Bankwest	Term Deposit 2 Months	Road	30/05/2014	3.55%	
	395,183.66	Bankwest	Term Deposit 2 Months	EDL Community Sponsorship	30/05/2014	3.55%	
	1,220,652.76	CBA	Term Deposit 2 months	Plant	30/05/2014	3.33%	
	134,759.83	CBA	Business Online Cash Account	The adjacent Term Deposits hold funds in relation to the following Reserves:	At Call	2.40%	
	1,000,000.00	NAB	Term Deposit 5 Months		03/05/2014	3.72%	
	2,000,000.00	NAB	Term Deposit 5 Months		03/05/2014	3.72%	
	2,411,357.88	NAB	Term Deposit 6 Months		Drainage \$1,686,962.48 Footpath \$2,496,646.22	14/05/2014	3.75%
	3,029,398.14	NAB	Term Deposit 6 Months		Refuse Site \$4,886,889.52	19/05/2014	3.77%
	1,000,000.00	NAB	Term Deposit 6 Months		Restricted Cash \$3,561,971.04	03/06/2014	3.74%
	2,000,000.00	NAB	Term Deposit 6 Months			03/06/2014	3.74%
	1,115,842.39	NAB	Term Deposit 6 Months			04/06/2014	3.74%
<b>3,219,326.70</b>	<b>25,197,874.14</b>						

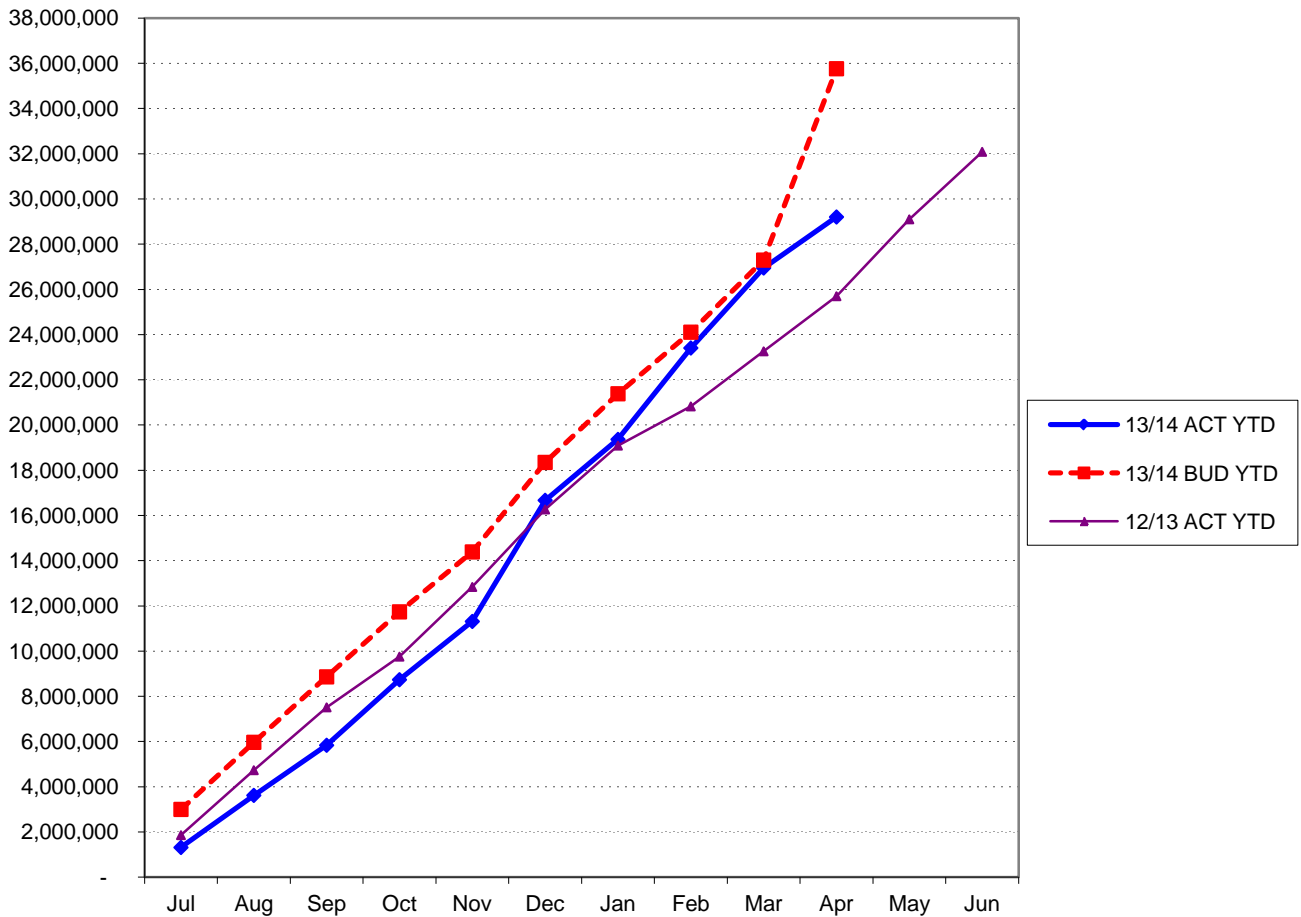
## FORECASTS SUMMARY

<b><u>SUMMARY OF FORECASTS TO DATE</u></b>		
DESCRIPTION	REASON	
<b>NET FORECASTS</b>		\$
(Increase)/Decrease in Revenue		<b>(4,158,344)</b>
Increase/(Decrease) in Expenses		<b>4,732,689</b>
<b>NET TOTAL OF FORECASTS</b>		<b>574,345</b>
<b>BALANCE CARRIED FORWARD</b>		
Balance carried forward from 2013/2014 (Budget)		1,818,891
Balance carried forward from 2012/2013 (Actual)		2,453,448
<b>NET ADJUSTMENTS TO BALANCE CARRIED FORWARD</b>		<b>634,557</b>
<b>OTHER ADJUSTMENTS</b>		
Reallocation of plant costs allocated, included in Forecasts	Staff revise budgets where the plant cost component is changed. This does not change the overall plant cost, only the cost allocation. Plant costs become over or under allocated in the budget. This has no cash effect on councils operations so this effect is removed.	<b>390,000</b>
Increase in Depreciation	Changes to depreciation are also included in some revised budgets but have no cash impact on Councils operations	<b>(390,000)</b>
Changes to accrued expenditure & profit/loss	Changes to these items are included in some revised budgets but have no cash impact on Councils operations	<b>(25,000)</b>
<b>NET OTHER ADJUSTMENTS</b>		<b>(25,000)</b>
<b>PREDICTED BUDGET SURPLUS/(DEFICIT)</b>		<b>35,212</b>

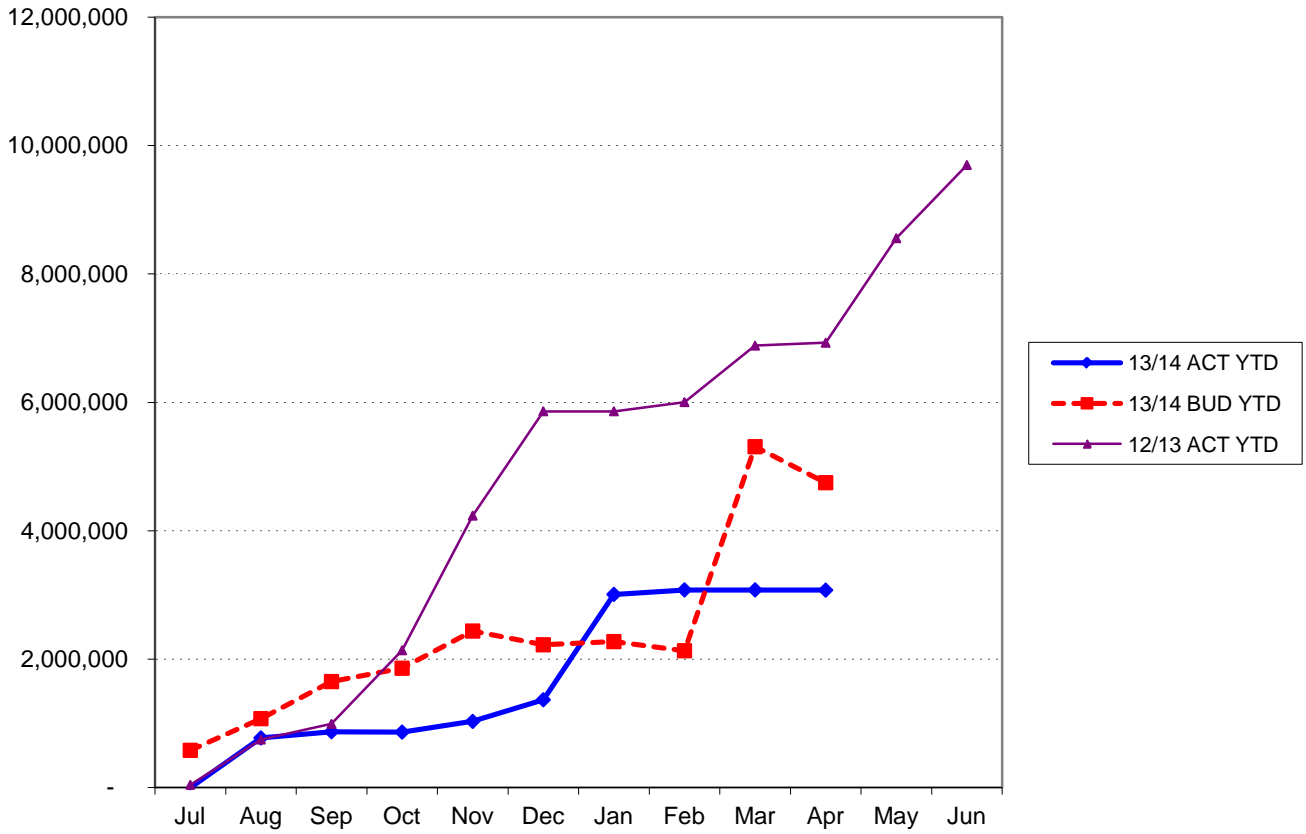
### 2013/2014 Operating Revenue



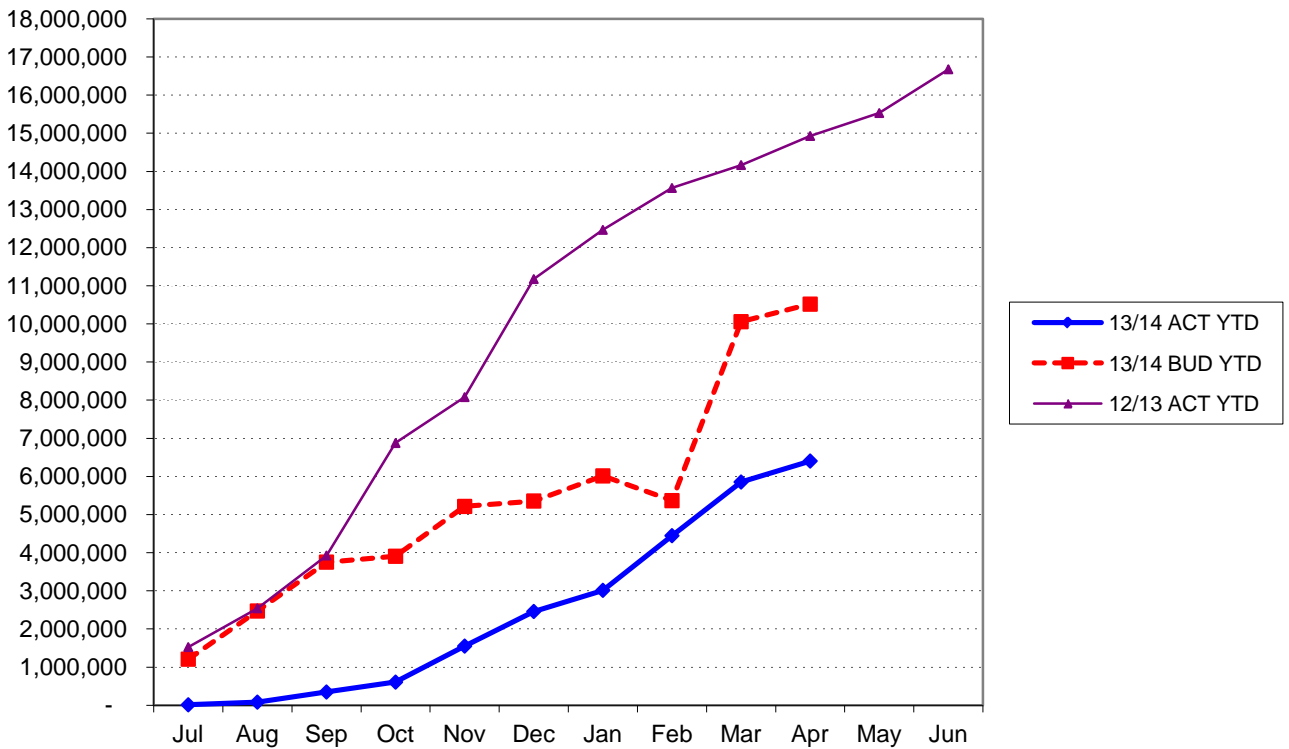
### 2013/2014 Operating Expense



## 2013/2014 Grants and Contributions for Assets Revenue



## 2013/2014 Investments in Assets Expense



## Monthly Current Position Comparison 2012/2013 - 2013/2014

