

4.2: FINANCIAL ACTIVITY STATEMENT – 29 FEBRUARY 2012

Responsible Officer : Acting Executive Director Corporate Services (P Wignall)

IN BRIEF

- Statement of Financial Activity reporting on the revenue and expenditure of the City of Albany for the reporting period ending 29 February 2012.

ITEM 4.2: RESOLUTION

VOTING REQUIREMENT: SIMPLE MAJORITY

MOVED: COUNCILLOR HAMMOND

SECONDED: COUNCILLOR CALLEJA

The Financial Activity Statement for the period ending 29 February 2012 be RECEIVED.

CARRIED 13-0

BACKGROUND

1. The Statement of Financial Activity for the period ending 29 February 2012 has been prepared and is attached.
2. In addition to the statutory requirement to provide Council with a Statement of Financial Performance, the City provides Council with a monthly investment summary to ensure the performance of the investment portfolio is in accordance with anticipated returns and complies with the Investment of Surplus Funds Policy.

DISCUSSION

3. In accordance with section 34(1) of the Local Government (Financial Management) Regulations 1996, the City of Albany is required to prepare each month a Statement of Financial Activity reporting on the revenue and expenditure of the local authority.
4. The requirement for local governments to produce a Statement of Financial Activity was gazetted in March 2005 to provide elected members with a greater insight in relation to the ongoing financial performance of the local government.
5. Additionally, each year a local government is to adopt a percentage or value to be used in Statements of Financial Activity for reporting material variances. Variations in excess of \$100,000 are reported to Council.

“Please note that rounding errors may occur when whole numbers are used, as they are in the reports that follow. The ‘errors’ may be \$1 or \$2 when adding sets of numbers. This does not mean that the underlying figures are incorrect.”

6. STATEMENT OF FINANCIAL ACTIVITY – AS AT 29 FEBRUARY 2012

| | Actual Year to Date 29-Feb-12 | Current Budget Year to Date 29-Feb-12 | Current Budget vs Actual Variance | |
|--|-------------------------------------|--|--|---|
| REVENUE | | | | * |
| Operating Grants, Subsidies and Cont Fees and Charges | 2,324,216 | 2,159,319 | 164,897 | √ |
| Interest Earnings | 9,860,690 | 10,055,664 | -194,974 | X |
| Other Revenue | 802,204 | 492,448 | 309,756 | √ |
| | 1,214,134 | 1,702,869 | -488,735 | X |
| | 14,201,244 | 14,410,300 | -209,056 | |
| EXPENDITURE | | | | |
| Employee Costs | 10,398,854 | 10,981,217 | -582,363 | √ |
| Materials and Contracts | 6,609,519 | 9,179,467 | -2,569,948 | √ |
| Utility Charges | 1,025,231 | 988,797 | 36,434 | X |
| Interest Expenses | 503,920 | 504,419 | -499 | √ |
| Insurance Expenses | 576,012 | 576,516 | -504 | √ |
| Other Expenditure | 1,058,236 | 1,935,008 | -876,772 | √ |
| Depreciation | 7,789,723 | 7,875,392 | -85,670 | √ |
| | 27,961,493 | 32,040,816 | -4,079,323 | |
| Adjustment for Non-cash Revenue and Expenditure: | | | | |
| Depreciation | -7,789,723 | -7,875,392 | 85,670 | |
| CAPITAL REVENUE | | | | |
| Non-Operating Grants, Subsidies and Cont Proceeds from asset disposals | 2,671,515 | 3,479,743 | -808,228 | X |
| Proceeds from New Loans | 87,190 | 1,009,926 | -922,736 | X |
| Self-Supporting Loan Principal Revenue | 0 | 0 | 0 | |
| Transfers from Reserves (Restricted Assets) | 15,271 | 15,530 | -259 | X |
| | 4,855,084 | 4,865,148 | -10,064 | X |
| | 7,629,060 | 9,370,347 | -1,741,287 | |
| CAPITAL EXPENDITURE | | | | |
| Capital Expenditure | 2,929,417 | 10,662,771 | -7,733,354 | √ |
| Repayment of Loans | 428,109 | 428,253 | -144 | √ |
| Transfers to Reserves (Restricted Assets) | 3,845,947 | 3,807,931 | 38,016 | X |
| | 7,203,474 | 14,898,955 | -7,695,482 | |
| Estimated Surplus B/fwd | | | | |
| ADD Net Current Assets July 1 B/fwd | 4,582,872 | 4,582,872 | n/a | |
| LESS Net Current Assets Year to Date | 24,667,249 | 31,274,794 | n/a | |
| Amount Raised from Rates | -25,629,318 | -25,561,281 | -68,037 | |

* √ Is higher than expected revenue or lower than expected expenditure

* X is lower than expected revenue and higher than expected Expenditure

7. CITY OF ALBANY – NET CURRENT ASSETS – AS AT 29 FEBRUARY 2012

| | Actual 29-Feb-12 | Actual 30-Jun-11 |
|---|---------------------|---------------------|
| NET CURRENT ASSETS | | |
| Composition of Net Current Asset Position | | |
| CURRENT ASSETS | | |
| Cash - Unrestricted | 20,609,249 | 5,767,118 |
| Cash - Restricted | 5,378,147 | 6,634,295 |
| Receivables | 5,138,132 | 2,136,618 |
| Inventories | 2,821,992 | 3,202,824 |
| Total Current Assets | 33,947,520 | 17,740,855 |
| LESS: CURRENT LIABILITIES | | |
| Payables and Provisions | 3,902,124 | 6,523,688 |
| | 30,045,396 | 11,217,167 |
| Less: Cash - Restricted - Trust | (1,071,289) | (1,318,300) |
| Less: Cash - Restricted - Reserves | (4,306,858) | (5,315,995) |
| NET CURRENT ASSET POSITION | 24,667,249 | 4,582,872 |
| NET CURRENT ASSETS PER BALANCE SHEET | 22,308,631 | 2,819,432 |
| Difference | (2,358,618) | (1,763,440) |
| Difference Represented by: | | |
| Restricted Cash (Trust) | 1,071,289 | 1,318,300 |
| Reserve Funds - Financial Assets | 327,010 | 327,010 |
| Reserve Funds - Other | 3,979,848 | 4,988,985 |
| Self Supporting Loans (part of Receivables and Other) | (15,271) | |
| | 5,362,876 | 6,634,295 |
| Less: | | |
| Borrowings | 6,710,066 | 7,138,175 |
| Trust Liabilities | 1,011,428 | 1,259,560 |
| Difference | (2,358,618) | (1,763,440) |

8. CITY OF ALBANY– STATEMENT OF FINANCIAL POSITION–AS AT 29 FEBRUARY 2012

| | Actual 29-Feb-12 | Actual 30-Jun-11 |
|-------------------------------------|---------------------|---------------------|
| CURRENT ASSETS | | |
| Cash - Municipal | 20,609,249 | 5,767,118 |
| Restricted cash (Trust) | 1,071,289 | 1,318,300 |
| Reserve Funds - Financial Assets | 327,010 | 327,010 |
| Reserve Funds - Other | 3,979,848 | 4,988,985 |
| Receivables & Other | 5,122,861 | 2,136,618 |
| Investment Land | 2,084,068 | 2,398,674 |
| Stock on hand | 737,924 | 804,150 |
| | 33,932,249 | 17,740,855 |
| CURRENT LIABILITIES | | |
| Borrowings | 6,710,066 | 7,138,175 |
| Creditors prov - Annual leave & LSL | 2,487,008 | 2,381,578 |
| Trust Liabilities | 1,011,428 | 1,259,559 |
| Creditors prov & accruals | 1,415,116 | 4,142,110 |
| | 11,623,618 | 14,921,422 |
| NET CURRENT ASSETS | 22,308,631 | 2,819,432 |
| NON CURRENT ASSETS | | |
| Receivables | 46,211 | 46,211 |
| Pensioners Deferred Rates | 370,759 | 370,759 |
| Investment Land | 4,509,155 | 4,509,155 |
| Property, Plant & Equip | 71,692,218 | 71,237,891 |
| Infrastructure Assets | 185,135,011 | 190,555,179 |
| Local Govt House Shares | 19,501 | 19,501 |
| | 261,772,854 | 266,738,695 |
| NON CURRENT LIABILITIES | | |
| Borrowings | 12,626,394 | 12,626,394 |
| Creditors & Provisions | 464,911 | 464,911 |
| | 13,091,305 | 13,091,305 |
| NET ASSETS | 270,990,181 | 256,466,823 |
| EQUITY | | |
| Accumulated Surplus | 247,181,219 | 231,648,724 |
| Reserves | 5,034,328 | 6,043,465 |
| Asset revaluation Reserve | 18,774,634 | 18,774,634 |
| | 270,990,181 | 256,466,823 |

**9. STATEMENT OF COMPREHENSIVE INCOME (BY NATURE OR TYPE) –
AS AT 29 FEBRUARY 2012**

Nature / Type

| | YTD Actual 2011/12 | Budget-Total 2011/12 | Actual 2010/11 |
|---|-------------------------------|---------------------------------|---------------------------|
| INCOME | | | |
| Rates | 25,629,318 | 25,619,665 | 24,114,001 |
| Grants & Subsidies | 2,065,799 | 2,710,582 | 3,570,141 |
| Contributions. Reimb & Donations | 258,418 | 349,697 | 1,215,224 |
| Fees & Charges | 9,860,690 | 13,327,249 | 7,660,720 |
| Service Charges | 322 | 0 | 3,741,095 |
| Interest Earned | 802,204 | 697,000 | 1,184,413 |
| Other Revenue / Income | 1,215,652 | 617,625 | 860,783 |
| | 39,832,403 | 43,321,818 | 42,346,378 |
| EXPENDITURE | | | |
| Employee Costs | 10,398,854 | 16,948,783 | 15,295,323 |
| Utilities | 1,025,231 | 1,319,732 | 1,507,429 |
| Interest Expenses | 503,920 | 1,042,761 | 1,114,199 |
| Depreciation on non current assets | 7,789,723 | 11,817,938 | 11,449,614 |
| Contracts & materials | 6,609,519 | 12,973,799 | 11,290,975 |
| Insurance expenses | 576,012 | 584,845 | 543,500 |
| Other Expenses | 1,058,956 | 223,994 | 1,665,462 |
| | 27,962,215 | 44,911,852 | 42,866,502 |
| Change in net assets from operations | 11,870,188 | (1,590,034) | (520,124) |
| Grants and Subsidies - non-operating | 2,580,104 | 6,770,372 | 9,180,800 |
| Contributions Reimbursements and Donations - non-operating | 91,411 | 3,148,907 | 1,567,374 |
| Profit/Loss on Asset Disposals | (18,345) | (905,815) | 142,634 |
| Cash Backing of Reserves | 0 | 718,230 | 0 |
| Fair value - Investments adjustment | | | 0 |
| | 14,523,358 | 8,141,660 | 10,370,684 |

10. PORTFOLIO VALUATION – MARKET VALUE – AS AT 29 FEBRUARY 2012

| Security | Maturity Date | Security Cost (Incl accrued interest) | Current Interest % | Market Value Dec-11 | Market Value Jan-12 | Market Value Feb-12 | Latest Monthly Variation |
|--------------------------|---------------|---------------------------------------|--------------------|---------------------|---------------------|---------------------|--------------------------|
| MUNICIPAL ACCOUNT | | | | | | | |
| CBA | 4/11/2011 | 2,000,000 | 5.70% | | | | |
| CBA | 4/12/2011 | 1,000,000 | 5.66% | | | | |
| CBA | 6/01/2012 | 2,000,000 | 5.57% | 2,000,000 | | | |
| CBA | 3/02/2012 | 1,000,000 | 5.48% | 1,000,000 | 1,000,000 | | |
| CBA | 5/02/2012 | 2,000,000 | 5.40% | | 2,000,000 | | |
| CBA | 4/03/2012 | 1,000,000 | 5.23% | | | 1,000,000 | |
| CBA | 4/03/2012 | 2,000,000 | 5.23% | | | 2,000,000 | |
| NAB | 4/12/2011 | 2,000,000 | 5.53% | | | | |
| NAB | 3/01/2012 | 1,000,000 | 5.70% | 1,000,000 | | | |
| NAB | 2/05/2012 | 1,000,000 | 6.10% | | 1,000,000 | 1,000,000 | |
| NAB | 2/04/2012 | 2,000,000 | 5.92% | 2,000,000 | 2,000,000 | 2,000,000 | |
| ANZ | 4/01/2012 | 3,000,000 | 5.80% | 3,000,000 | | | |
| ANZ | 2/04/2012 | 3,000,000 | 5.50% | | 3,000,000 | 3,000,000 | |
| BENDIGO | 4/11/2011 | 1,000,000 | 5.50% | | | | |
| BENDIGO | 6/01/2012 | 1,000,000 | 5.50% | 1,000,000 | | | |
| BENDIGO | 3/02/2012 | 1,000,000 | 5.25% | | 1,000,000 | | |
| BENDIGO | 5/03/2012 | 1,000,000 | 5.00% | | | 1,000,000 | |
| BANKWEST | 4/01/2012 | 2,000,000 | 5.80% | 2,000,000 | | | |
| BANKWEST | 5/03/2012 | 2,000,000 | 5.50% | | 2,000,000 | 2,000,000 | |
| | | | | 12,000,000 | 12,000,000 | 12,000,000 | n/a |

| Security | Maturity Date | Security Cost (Incl accrued interest) | Current Interest | Market Value | Market Value | Market Value | Latest Monthly Variation |
|--|---------------|---------------------------------------|------------------|-------------------|-------------------|-------------------|--------------------------|
| RESERVES ACCOUNT No funds currently invested | | | | 0 | 0 | 0 | |
| COMMERCIAL SECURITIES - CDOs (New York Mellon) | | | | 0 | 0 | 0 | n/a |
| Saphir (Endeavour) AAA | 4/08/2011 | 413,160 | 9.10% | 0 | 0 | 0 | 0 |
| Zircon (Merimbula AA) | 20/06/2013 | 502,450 | 8.87% | 0 | 0 | 0 | 0 |
| Zircon (Coolangatta AA) | 20/09/2014 | 1,002,060 | 9.12% | 0 | 0 | 0 | 0 |
| Beryl (AAAGlobal Bank Note) | 20/09/2014 | 200,376 | 8.42% | 0 | 0 | 0 | 0 |
| | | 2,118,046 | | 0 | 0 | 0 | 0 |
| COMMERCIAL SECURITIES - CDOs - Other | | | | | | | |
| Magnolia (Flinders AA) | 20/03/2012 | 171,994 | 9.32% | 144,500 | 144,500 | 144,500 | 0 |
| Start (Blue Gum AA-) | 22/06/2013 | 276,708 | 8.77% | 0 | 0 | 0 | 0 |
| Corsair (Kakadu AA) | 20/03/2014 | 273,710 | 8.37% | 68,750 | 68,750 | 68,750 | 0 |
| Helium (C=Scarborough AA) | 23/06/2014 | 602,244 | 8.77% | 0 | 0 | 0 | 0 |
| | | 1,324,656 | | 213,250 | 213,250 | 213,250 | 0 |
| PORTFOLIO TOTAL | | | | 12,213,250 | 12,213,250 | 12,213,250 | 0 |

11. FINANCIAL RATIOS - AS AT 29 FEBRUARY 2012

| CITY OF ALBANY FINANCIAL RATIOS | | 30-Jun-10 | 30-Jun-11 | 29-Feb-12 | Benchmark |
|---------------------------------|---|-----------|-----------|-----------|-----------|
| Liquidity Ratios | | | | | |
| | Current Ratio ¹ | 117.4% | 81.3% | 269.1% | >100% |
| | Untied Cash to trade creditors Ratio ² | 51.2% | 273.6% | 2533.1% | >100% |
| Financial Position Ratio | | | | | |
| | Debt Ratio ³ | 11.3% | 9.8% | 8.4% | <100% |
| Debt Ratios | | | | | |
| | Debt Service Ratio ⁴ | 7.5% | 9.0% | 2.3% | <10% |
| | Gross Debt to Revenue Ratio ⁵ | 56.9% | 46.7% | 48.7% | <60% |
| | Gross Debt to Economically Realisable Assets ⁶ | 25.9% | 22.6% | 18.5% | <30% |
| Coverage Ratio | | | | | |
| | Rate Coverage Ratio ⁷ | 63.3% | 46.0% | 64.4% | >33% |
| Effectiveness Ratio | | | | | |
| | Outstanding Rates Ratio ⁸ | 5.4% | 3.3% | 15.5% | <5% |

1. This ratio focuses on the liquidity position of a local government.
2. This ratio provides an indication of whether a local government has sufficient unrestricted cash to pay its trade creditors. The ratio is high at present as the due date for rates has just passed. The ratio will reduce steadily in the coming months.
3. The ratio is a measure of total liabilities to total assets or alternatively the number of times total liabilities are covered by the total assets of a local government. The lower the ratio of total liabilities to total assets, the stronger is the financial position of the local government.
4. This ratio measures a local government's ability to service debt (principal and interest) out of its available operating revenue.
5. This ratio measures a local government's ability to service debt in any given year out of total revenue.
6. This ratio provides a measure of whether a local government has sufficient realisable assets to cover its total borrowings.
7. The Coverage Ratio measures the local government's dependence on rate revenue to fund its operations. The higher the ratio, the less dependent a local government is on grants and external sources to fund its operations.
8. The Effectiveness Ratio measures the effectiveness of a local government with the collection of its rates. It would be expected to be above 5% at this time of the year, as it includes rates which are being paid by instalments, this will reduce steadily to be below the benchmark at 30 June.

STATUTORY IMPLICATIONS

12. *Section 34 of the Local Government (Financial Management) Regulations 1996 provides:*

- I. A local government is to prepare each month a statement of financial activity reporting on the source and application of funds, as set out in the annual budget under regulation 22 (1)(d), for that month in the following detail –
 - a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);
 - b) budget estimates to the end of the month to which the statement relates;
 - c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relate
 - d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
 - e) the net current assets at the end of the month to which the statement relates.
- II. Each statement of financial activity is to be accompanied by documents containing –
 - a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
 - b) an explanation of each of the material variances referred to in sub regulation (1)(d); and
 - c) such other supporting information as is considered relevant by the local government.
- III. The information in a statement of financial activity may be shown –
 - a) according to nature and type classification;
 - b) by program; or
 - c) by business unit
- IV. A statement of financial activity, and the accompanying documents referred to in sub regulation (2), are to be –
 - (a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
 - (b) recorded in the minutes of the meeting at which it is presented.

FINANCIAL IMPLICATIONS Expenditure for the period ending 29 February 2012 has been incurred in accordance with the 2011/12 proposed budget parameters. Details of any budget variation in excess of \$100,000 (year to date) follow. There are no other known events which may result in a material non recoverable financial loss or financial loss arising from an uninsured event.

13. VARIANCES TO BUDGET IN EXCESS OF \$100,000 - AS AT 29 FEBRUARY 2012

| Account | Original Budget | Current Budget | YTD Budgets | YTD Actuals | YTD Variance | YTD Percentage Variance | Variance Ticks | Comments |
|---|-----------------|----------------|-------------|-------------|--------------|-------------------------|----------------|---|
| CHIEF EXECUTIVE OFFICER | | | | | | | | |
| 182820. CEO - SALARIES | 448,409 | 618,740 | 412,488 | 268,953 | 143,535 | 35% | ✓ | Major Projects salary line added during corporate restructure. Costs to date have been allocated to Works & Services. Not all positions have been filled. Subject to Q3 review. |
| DIRECTOR COMMUNITY | | | | | | | | |
| 137930. A/PORT-LANDING FEES | (1,274,464) | (1,274,464) | (802,907) | (910,801) | 107,894 | 13% | ✓ | Additional charges introduced this financial year for ILS training fees. |
| DIRECTOR CORPORATE | | | | | | | | |
| 103430. MAJOR PLANT-P/LOSS SALE OF ASSETS | 1,267,411 | 1,267,410 | 760,447 | 39,189 | 721,258 | 95% | ✓ | Timing of plant replacement. Preparation of tender documents for vehicle replacement currently being undertaken. |
| 106030. INTEREST ON INVESTMENTS | (450,000) | (475,966) | (317,304) | (525,164) | 207,860 | 66% | ✓ | Higher than anticipated interest rates. Adjustments to be made Q3. |
| 106640. INFORMATION TECHNOLOGY | 272,860 | 277,860 | 231,187 | 21,602 | 209,585 | 91% | ✓ | Timing difference, expenditure is expected to be in line with budget at financial year end. |
| 148230. PASSENGER VEHICLES-P/LOSS SALE OF ASSET | 1,053,522 | 1,053,522 | 526,762 | 65,873 | 460,889 | 87% | ✓ | Timing of plant replacement. Preparation of tender documents for vehicle replacement currently being undertaken. |
| 185030. Proceeds Investment Land | 0 | (2,000,000) | (1,333,328) | (358,636) | (974,692) | -73% | ✗ | Cull Road development continues to be offered for sale. |

REFER DISCLAIMER

| Account | Original Budget | Current Budget | YTD Budgets | YTD Actuals | YTD Variance | YTD Percentage Variance | Variance Ticks | Comments |
|---|-----------------|----------------|-------------|-------------|--------------|-------------------------|----------------|--|
| 185270. Carrying Value Investment Land Sold DIRECTOR WORKS & SERVICES | 0 | 2,446,899 | 1,631,264 | 314,606 | 1,316,658 | 81% | ✓ | Cull Road development continues to be offered for sale. |
| 100040. ROAD SAFETY | 232,488 | 371,308 | 247,488 | 114,043 | 133,445 | 54% | ✓ | Total costs for the year are expected to be in line with budget. Contractor has commenced pickup. Approximately \$100,000 worth of steel has been collected but funds not received due to timing issue. |
| 108830. SALE OF SCRAP METAL | (200,000) | (200,000) | (133,280) | (24,386) | (108,894) | -82% | ✗ | Unspent funds to be transferred to Strategic Projects - District Water Management Strategy & Development Contribution Plan. Subject to Q3 adjustment for restructure to Office of CEO. |
| 110270. CITY DESIGN - PROJECTS | 245,000 | 245,000 | 163,264 | 10,732 | 152,532 | 93% | ✓ | Unspent funds to be transferred to Strategic Projects - Drainage Asset Manage Plan. Subject to Q3 adjustment for restructure to Office of CEO. |
| 110920. CITY ASSETS PROJECTS | 254,450 | 254,450 | 182,076 | (13,754) | 195,830 | 108% | ✓ | Savings made due to cancellation of Cleanaway MOU. Reduction in staff overtime with changes to staff rostering. |
| 118520. REFUSE-TIP MAINTENANCE | 1,389,700 | 1,389,700 | 926,024 | 743,677 | 182,347 | 20% | ✓ | Reduced amount of waste received at landfill sites. Increase competition in the marketplace for receiving industrial waste. |
| 119530. REFUSE-INC HANRAHAN ROAD | (1,720,000) | (1,720,000) | (1,002,932) | (754,122) | (248,810) | -25% | ✗ | Expenses are currently below budget. Annual costs expected to be in line with budget. |
| 132220. ROAD MAINTENANCE | 3,925,000 | 3,925,000 | 2,615,608 | 2,173,288 | 442,320 | 17% | ✓ | |

REFER DISCLAIMER

| Account | Original Budget | Current Budget | YTD Budgets | YTD Actuals | YTD Variance | YTD Percentage Variance | Variance Ticks | Comments |
|---|-----------------|----------------|-------------|-------------|--------------|-------------------------|----------------|---|
| 135440. Passenger Vehicles Purchase | 777,101 | 777,101 | 388,550 | 84,296 | 304,254 | 78% | ✓ | Timing of plant replacement. Preparation of tender documents for vehicle replacement currently being undertaken. |
| 135540. Commercial Vehicles (Utes) Purchase | 1,100,000 | 1,100,000 | 550,000 | 0 | 550,000 | 100% | ✓ | Timing of plant replacement. Preparation of tender documents for vehicle replacement currently being undertaken. |
| 135640. Major Plant Purchase | 1,065,000 | 1,065,000 | 532,500 | 66,400 | 466,100 | 88% | ✓ | Timing of plant replacement. Preparation of tender documents for vehicle replacement currently being undertaken. |
| 138070. Waste Minimisation Contract | 2,363,896 | 2,363,896 | 1,575,280 | 1,428,741 | 146,539 | 9% | ✓ | Year-to-date expenses are below budget. This is only a timing difference and annual costs are expected to be in line with budget. |
| 141150. Road Funding - Other | (868,000) | (907,000) | (453,500) | (172,000) | (281,500) | -62% | ✗ | Balance of funding received once jobs completed. Related jobs expected to be finished before end of financial year. |
| 141250. Road Funding - TIRES | (400,000) | (400,000) | (400,000) | (160,000) | (240,000) | -60% | ✗ | Balance of funding received once jobs completed. Related jobs expected to be finished before end of financial year. |
| 141550. Passenger Vehicle Proceeds | (625,017) | (625,017) | (312,508) | (60,909) | (251,599) | -81% | ✗ | Timing of plant replacement. Preparation of tender documents for vehicle replacement currently being undertaken. |
| 141650. Commercial Vehicles Proceeds | (550,000) | (550,000) | (275,000) | 0 | (275,000) | -100% | ✗ | Timing of plant replacement. Preparation of tender documents for vehicle replacement currently being undertaken. |
| 141750. Major Plant Proceeds | (735,000) | (735,000) | (420,420) | (23,563) | (396,857) | -94% | ✗ | Timing of plant replacement. Preparation of tender documents for vehicle replacement currently being undertaken. |

REFER DISCLAIMER

| Account | Original Budget | Current Budget | YTD Budgets | YTD Actuals | YTD Variance | YTD Percentage Variance | Variance Ticks | Comments |
|-----------------------------------|-----------------|----------------|-------------|-------------|--------------|-------------------------|----------------|--|
| 144920. CITY ASSETS-SALARIES | 582,146 | 485,261 | 323,504 | 186,926 | 136,578 | 42% | ✓ | Works & Services restructure - salaries being re-allocated. |
| 147320. FUEL & OIL | 687,186 | 687,186 | 457,936 | 327,921 | 130,015 | 28% | ✓ | Fuel price and usage not as high as budgeted for. Usage likely to increase in the next quarter. |
| 147920. PLANT-ALLOCATE TO W/SERV. | (2,932,540) | (2,932,540) | (1,954,232) | (1,741,678) | (212,554) | -11% | × | This is an internal "billing" of plant and machinery used on various jobs around the City. As work is performed by Works and Services, plant use is billed to the job. As can be seen in 132220 Road Maintenance and 149940 Asset Preservation, for example, maintenance activity has been below budget, but should be in line with budget by financial year end. Year to date expenses are below budget. |
| 149840. ASSET UPGRADE-REGIONAL RD | 2,496,259 | 2,154,815 | 1,446,854 | 118,614 | 1,328,240 | 92% | ✓ | This is only a timing difference, and annual costs are expected to be in line with budget. |
| 149940. ASSET PRESERVATION | 3,195,730 | 2,943,730 | 1,988,434 | 345,380 | 1,643,054 | 83% | ✓ | Year to date expenses are below budget. This is only a timing difference, and annual costs are expected to be in line with budget. |
| 150140. DRAINAGE CONSTRUCTION | 1,175,070 | 2,386,259 | 1,667,644 | 331,307 | 1,336,337 | 80% | ✓ | Year to date expenses are below budget. This is only a timing difference, and annual costs are expected to be in line with budget. |

REFER DISCLAIMER

| Account | Original Budget | Current Budget | YTD Budgets | YTD Actuals | YTD Variance | YTD Percentage Variance | Variance Ticks | Comments |
|------------------------------|-----------------|----------------|-------------|-------------|--------------|-------------------------|----------------|---|
| 151640. PATHWAY CONSTRUCTION | 1,498,497 | 1,577,997 | 1,051,488 | 553,221 | 498,267 | 47% | ✓ | Year to date expenses are below budget. This is only a timing difference, and annual costs are expected to be in line with budget. |
| 151840. PARKS & RESERVES | 106,721 | 253,150 | 168,696 | 32,518 | 136,178 | 81% | ✓ | Emu Point Erosion project will be costed to Major Projects (\$70,000) in Q3 review for restructure to Office of CEO. Timing difference-all other projects will be completed before end of financial year. |
| 152140. WASTE/TIPS PROJECTS | 1,930,010 | 1,735,011 | 1,048,788 | 66,667 | 982,121 | 94% | ✓ | Most of the leachate project works delayed to next financial year. Weighbridge shelter to be constructed 6-8 weeks. Some design work and minor capping/drainage work to occur before May. |

POLICY IMPLICATIONS

- 14. The City's 2010/11 Annual Budget provides a set of parameters that guides the City's financial practices.
- 15. The Investment of Surplus Funds Policy stipulates that the status and performance of the investment portfolio is to be reported monthly to Council.

| | |
|-----------------------------------|----------------------|
| File Number (Name of Ward) | FM.FIR.2 - All Wards |
|-----------------------------------|----------------------|