

4.2: FINANCIAL ACTIVITY STATEMENT – 31 MAY 2012 –VERSION TWO

Responsible Officer : Executive Director Corporate Services

IN BRIEF

- Statement of Financial Activity reporting on the revenue and expenditure of the City of Albany for the reporting period ending 31 May 2012.

ITEM 4.2: RESPONSIBLE OFFICER RECOMMENDATION

The Financial Activity Statement for the period ending 31 May 2012 be RECEIVED.

BACKGROUND

1. The Statement of Financial Activity for the period ending 31 May 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.”

CEO:

RESPONSIBLE OFFICER:

6. STATEMENT OF FINANCIAL ACTIVITY – AS AT 31 MAY 2012

	Actual Year to Date 31-May-12	Current Budget Year to Date 31-May-12	Current Budget vs Actual Variance	*
REVENUE				
Operating Grants, Subsidies and Cont	3,668,438	3,327,873	340,565	√
Fees and Charges	12,583,137	12,709,675	-126,538	X
Interest Earnings	1,137,126	742,236	394,890	√
Other Revenue	567,460	959,654	-392,194	X
	17,956,161	17,739,438	216,723	
EXPENDITURE				
Employee Costs	14,889,685	15,327,328	-437,643	√
Materials and Contracts	9,520,602	12,675,415	-3,154,813	√
Utility Charges	1,543,148	1,359,109	184,039	X
Interest Expenses	600,230	600,729	-499	√
Insurance Expenses	582,090	586,117	-4,027	√
Other Expenditure	1,453,216	2,158,022	-704,806	√
Depreciation	10,661,537	10,832,213	-170,676	√
Loss on Sale of Assets	18,345	408,921	-390,576	√
Less Allocated to Infrastructure	(369,841)	(973,274)	603,433	√
	38,899,014	42,974,580	-4,075,566	
Adjustment for Non-cash Revenue and Expenditure:				
Write Back Non Cash Items	10,661,537	10,832,213	-170,676	
Adjust (Profit)/Loss on Asset Disposal	18,345	408,921	-390,576	
Net Operating Excluding Rates	-10,262,971	-13,994,008		
CAPITAL REVENUE				
Non-Operating Grants, Subsidies & Cont	3,553,771	5,422,315	-1,868,544	X
Proceeds from asset disposals	87,190	1,912,014	-1,824,824	X
Proceeds from New Loans	1,000,000	1,000,000	0	
Self-Supporting Loan Principal Revenue	21,011	15,530	5,481	√
Transfers from Reserves (Restricted Assets)	4,895,186	4,891,835	3,351	√
	9,557,158	13,241,694	-3,684,536	
CAPITAL EXPENDITURE				
Capital Expenditure	5,704,209	17,972,772	-12,268,563	√
Repayment of Loans	1,985,853	1,985,997	-144	√
Transfers to Reserves (Restricted Assets)	3,886,612	3,844,651	41,961	X
	11,576,674	23,803,420	-12,226,746	
Net Capital	-2,019,516	-10,561,726	8,542,210	
Total Net Operating + Capital	-12,282,487	-24,555,734	12,273,247	
Rates Revenue	25,645,529	25,641,741	3,788	
Opening Funding Surplus (Deficit)	1,495,642	1,495,642	0	
Closing Funding Surplus (Deficit)	14,858,685	2,581,649	12,277,036	

* √ 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 31 MAY 2012

	Actual 31-May-12	Actual 30-Jun-11
NET CURRENT ASSETS		
Composition of Net Current Asset Position		
CURRENT ASSETS		
Cash - Unrestricted	16,454,940	5,767,118
Cash - Restricted	5,312,523	6,634,295
Receivables	2,971,448	2,136,618
Inventories	2,581,752	3,202,824
Total Current Assets	27,320,663	17,740,855
LESS: CURRENT LIABILITIES		
Payables and Provisions	4,062,226	6,523,688
	23,258,437	11,217,167
Less: Cash - Restricted - Trust	(977,659)	(1,318,300)
Less: Cash - Restricted - Reserves	(4,334,864)	(5,315,995)
NET CURRENT ASSET POSITION	17,945,914	4,582,872
NET CURRENT ASSETS PER BALANCE SHEET	17,163,515	2,819,432
Difference	(782,399)	(1,763,440)
Difference Represented by:		
Restricted Cash (Trust)	977,659	1,318,300
Reserve Funds - Financial Assets	182,510	327,010
Reserve Funds - Other	4,152,355	4,988,985
Self Supporting Loans (part of Receivables and Other)	(21,011)	
	5,291,513	6,634,295
Less:		
Borrowings	5,152,323	7,138,175
Trust Liabilities	921,589	1,259,560
Difference	(782,399)	(1,763,440)

8. CITY OF ALBANY– STATEMENT OF FINANCIAL POSITION–AS AT 31 MAY 2012

	Actual 31-May-12	Actual 30-Jun-11
CURRENT ASSETS		
Cash - Municipal	16,454,940	5,767,118
Restricted cash (Trust)	977,659	1,318,300
Reserve Funds - Financial Assets	182,510	327,010
Reserve Funds - Other	4,152,355	4,988,985
Receivables & Other	2,950,438	2,136,618
Investment Land	1,911,896	2,398,674
Stock on hand	669,857	804,150
	27,299,653	17,740,855
CURRENT LIABILITIES		
Borrowings	5,152,322	7,138,175
Creditors prov - Annual leave & LSL	2,375,054	2,381,578
Trust Liabilities	921,589	1,259,559
Creditors prov & accruals	1,687,172	4,142,110
	10,136,138	14,921,422
NET CURRENT ASSETS	17,163,515	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	73,622,158	71,237,891
Infrastructure Assets	183,108,049	190,555,179
Local Govt House Shares	19,501	19,501
	261,675,832	266,738,695
NON CURRENT LIABILITIES		
Borrowings	13,626,394	12,626,394
Creditors & Provisions	464,911	464,911
	14,091,305	13,091,305
NET ASSETS	264,748,042	256,466,823
EQUITY		
Accumulated Surplus	240,938,517	231,648,724
Reserves	5,034,891	6,043,465
Asset revaluation Reserve	18,774,634	18,774,634
	264,748,042	256,466,823

**9. STATEMENT OF COMPREHENSIVE INCOME (BY NATURE OR TYPE) –
AS AT 31 MAY 2012**

Nature / Type

	YTD Actual 2011/12	Budget-Total 2011/12	Actual 2010/11
INCOME			
Rates	25,645,529	25,619,665	24,114,001
Grants & Subsidies	3,121,736	2,710,582	3,570,141
Contributions. Reimb & Donations	546,702	349,697	1,215,224
Fees & Charges	12,583,137	13,327,249	7,660,720
Service Charges	322	0	3,741,095
Interest Earned	1,137,126	697,000	1,184,413
Other Revenue / Income	568,978	617,625	860,783
	43,603,530	43,321,818	42,346,378
EXPENDITURE			
Employee Costs	14,519,845	16,948,783	15,295,323
Utilities	1,543,148	1,319,732	1,507,429
Interest Expenses	600,230	1,042,761	1,114,199
Depreciation on non current assets	10,661,537	11,817,938	11,449,614
Contracts & materials	9,520,602	12,973,799	11,290,975
Insurance expenses	582,090	584,845	543,500
Other Expenses	1,457,728	223,994	1,665,462
	38,885,180	44,911,852	42,866,502
Change in net assets from operations	4,718,350	(1,590,034)	(520,124)
Grants and Subsidies - non-operating	3,455,821	6,770,372	9,180,800
Contributions Reimbursements and Donations - non-operating	97,950	3,148,907	1,567,374
Profit/Loss on Asset Disposals	(18,345)	(905,815)	142,634
Cash Backing of Reserves	27,444	718,230	0
Fair value - Investments adjustment			0
	8,281,220	8,141,660	10,370,684

REFER DISCLAIMER

10. PORTFOLIO VALUATION – MARKET VALUE – AS AT 31 MAY 2012

Security	Maturity Date	Security Cost (Incl accrued interest)	Current Interest %	Market Value Mar-12	Market Value Apr-12	Market Value May-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%				
CBA	3/02/2012	1,000,000	5.48%				
CBA	5/02/2012	2,000,000	5.40%				
CBA	4/03/2012	1,000,000	5.23%				
CBA	4/03/2012	2,000,000	5.23%				
CBA	5/04/2012	1,000,000	5.28%	1,000,000			
CBA	5/04/2012	2,000,000	5.28%	2,000,000			
CBA	7/05/2012	1,000,000	5.19%		1,000,000		
CBA	7/05/2012	2,000,000	5.19%		2,000,000		
CBA	6/06/2012	1,000,000	4.70%			1,000,000	
CBA	6/06/2012	2,000,000	4.70%			2,000,000	
NAB	4/12/2011	2,000,000	5.53%				
NAB	3/01/2012	1,000,000	5.70%				
NAB	2/05/2012	1,000,000	6.10%	1,000,000	1,000,000		
NAB	3/06/2012	1,000,000	4.25%			1,000,000	
NAB	2/04/2012	2,000,000	5.92%	2,000,000			
NAB	4/05/2012	2,000,000	4.74%		2,000,000		
NAB	3/06/2012	2,000,000	4.25%			2,000,000	
ANZ	4/01/2012	3,000,000	5.80%				
ANZ	2/04/2012	3,000,000	5.50%	3,000,000			
ANZ	3/05/2012	3,000,000	4.80%		3,000,000		

REFER DISCLAIMER

Security	Maturity Date	Security Cost (Incl accrued interest)	Current Interest %	Market Value Mar-12	Market Value Apr-12	Market Value May-12	Latest Monthly Variation
BENDIGO	6/01/2012	1,000,000	5.50%				
BENDIGO	3/02/2012	1,000,000	5.25%				
BENDIGO	5/03/2012	1,000,000	5.00%				
BENDIGO	5/04/2012	1,000,000	5.00%	1,000,000			
BENDIGO	5/05/2012	1,000,000	4.90%		1,000,000		
BENDIGO	5/06/2012	1,000,000	4.70%			1,000,000	
BANKWEST	4/01/2012	2,000,000	5.80%				
BANKWEST	5/03/2012	2,000,000	5.50%				
BANKWEST	7/05/2012	2,000,000	5.60%	2,000,000	2,000,000		
BANKWEST	7/06/2012	2,000,000	4.45%			2,000,000	
				12,000,000	12,000,000	12,000,000	n/a
RESERVES ACCOUNT No funds currently invested				0	0	0	
				0	0	0	n/a
COMMERCIAL SECURITIES - CDOs (New York Mellon)							
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

REFER DISCLAIMER

Security	Maturity Date	Security Cost (Incl accrued interest)	Current Interest %	Market Value Mar-12	Market Value Apr-12	Market Value May-12	Latest Monthly Variation
COMMERCIAL SECURITIES - CDOs - Other							
Magnolia (Flinders AA)	20/03/2012	171,994	9.32%	0	0	0	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		68,750	68,750	68,750	0
PORTFOLIO TOTAL				12,068,750	12,068,750	12,068,750	0

11. FINANCIAL RATIOS - AS AT 31 MAY 2012

CITY OF ALBANY FINANCIAL RATIOS		30-Jun-10	30-Jun-11	31-May-12	Benchmark
Liquidity Ratios					
	Current Ratio ¹	117.4%	81.3%	238.6%	>100%
	Untied Cash to trade creditors Ratio ²	51.2%	273.6%	1392.5%	>100%
Financial Position Ratio					
	Debt Ratio ³	11.3%	9.8%	8.4%	<100%
Debt Ratios					
	Debt Service Ratio ⁴	7.5%	9.0%	5.9%	<10%
	Gross Debt to Revenue Ratio ⁵	56.9%	46.7%	40.9%	<60%
	Gross Debt to Economically Realisable Assets ⁶	25.9%	22.6%	17.9%	<30%
Coverage Ratio					
	Rate Coverage Ratio ⁷	63.3%	46.0%	58.6%	>33%
Effectiveness Ratio					
	Outstanding Rates Ratio ⁸	5.4%	3.3%	4.3%	<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 will decline as the capital works projects are completed, invoiced and paid for.
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.

12. STATUTORY IMPLICATIONS

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.

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FINANCIAL IMPLICATIONS Expenditure for the period ending 31 May 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 31 MAY 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	558,740	512,171	383,919	128,252	25%	✓	Major Projects salary line added during corporate restructure. Costs to date have been allocated to Works and Services, and not all positions have been filled. Final structure will be correctly reflected in 12/13 budget.
DIRECTOR COMMUNITY								
137930. A/PORT-LANDING FEES	(1,274,464)	(1,274,464)	(1,147,010)	(1,344,541)	197,531	17%	✓	Additional charges introduced this financial year for ILS training fees.
138250. A/PORT-OTHER GRANTS	(650,000)	(350,000)	(175,000)	(338,392)	163,392	93%	✓	First instalement of grant money for airport upgrade invoiced.
138440. A/PORT-PURCH. EQUIPMENT	650,000	350,000	175,000	0	175,000	100%	✓	Capital work at airport in just commencing. Most of the project costs will be deferred to 12/13 budget.
138540. A/PORT-LAND & BUILDING	3,030,351	3,030,351	2,030,351	161,244	1,869,107	92%	✓	Capital work at airport in just commencing. Most of the project costs will be deferred to 12/13 budget.
DIRECTOR CORPORATE								
100540. EMU POINT BOAT PENS UPGRADE	150,000	150,000	150,000	24,221	125,779	84%	✓	Capital work on Emu Point boat Pens have not commenced. Most of the project costs will be deferred to 12/13 budget.

REFER DISCLAIMER

Account	Original Budget	Current Budget	YTD Budgets	YTD Actuals	YTD Variance	YTD Percentage Variance	Variance Ticks	Comments
101710. LOCAL ROADS GRANTS	(1,193,882)	(1,231,149)	(1,131,149)	(1,403,149)	272,000	24%	✓	Higher than anticipated grant income - timing issue with carryover jobs.
105620. ADMIN-LEGAL COSTS	292,000	392,000	359,326	201,685	157,641	44%	✓	Budget was increased in Q3 review, but extra costs not yet incurred.
106030. INTEREST ON INVESTMENTS	(450,000)	(530,000)	(485,826)	(815,799)	329,973	68%	✓	Higher than anticipated interest rates.
106640. INFORMATION TECHNOLOGY	272,860	277,860	270,078	60,964	209,114	77%	✓	Minimal capital spend on IT year to date.
185030. Proceeds Investment Land	0	(1,000,000)	(916,663)	(548,478)	(368,185)	-40%	✗	Cull Road development continues to be offered for sale.
185270. Carrying Value Investment Land Sold	0	1,250,000	1,145,826	486,778	659,048	58%	✓	Cull Road development continues to be offered for sale.
DIRECTOR DEVELOPMENT SERVICES								
136220. DEV MGT PROJECTS	70,000	150,000	137,488	24,638	112,850	82%	✓	Transport Model project no longer managed by Development Services. Project to be managed by Major Projects and completed in 12/13 budget year.
DIRECTOR WORKS & SERVICES								
100040. ROAD SAFETY	232,488	315,808	289,428	155,115	134,313	46%	✓	Balance of funding received once jobs completed. Related jobs expected to be finished before end of financial year.
110270. CITY DESIGN - PROJECTS	245,000	245,000	224,563	12,802	211,761	94%	✓	Number of smaller projects deferred to next year, or allocated to other Directorates.

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Account	Original Budget	Current Budget	YTD Budgets	YTD Actuals	YTD Variance	YTD Percentage Variance	Variance Ticks	Comments
110920. CITY ASSETS PROJECTS	254,450	254,450	245,703	(2,680)	248,383	101%	✓	Number of smaller projects deferred to next year, or allocated to other Directorates
118520. REFUSE-TIP MAINTENANCE	1,389,700	1,389,700	1,273,697	1,013,702	259,995	20%	✓	Savings made due to cancellation of Cleanaway MOU. Reduction in staff overtime with changes to staff rostering.
119530. REFUSE-INC HANRAHAN ROAD	(1,720,000)	(1,720,000)	(1,433,276)	(1,094,313)	(338,963)	-24%	✗	Reduced amount of waste received at landfill sites. Increase competition in the market-place for receiving industrial waste.
132220. ROAD MAINTENANCE	3,925,000	3,925,000	3,597,640	3,289,150	308,490	9%	✓	Expenses are currently below budget. Annual costs expected to be in line with budget.
134850. ASSET FUNDING- REGIONAL ROAD GROUP	(894,607)	(910,734)	(834,834)	(510,293)	(324,541)	-39%	✗	Balance of funding received once jobs completed. Related jobs expected to be finished before end of financial year.
135020. WORKS SUPERVISION - SALARIES	946,414	747,192	684,926	806,311	(121,385)	-18%	✗	Works & Services restructure - salaries being re-allocated. Final structure will not be reflected correctly until 12/13 budget.
135440. Passenger Vehicles Purchase	777,101	777,101	777,100	84,296	692,804	89%	✓	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	1,100,000	0	1,100,000	100%	✓	Timing of plant replacement. Preparation of tender documents for vehicle replacement currently being undertaken.

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Account	Original Budget	Current Budget	YTD Budgets	YTD Actuals	YTD Variance	YTD Percentage Variance	Variance Ticks	Comments
135640. Major Plant Purchase	1,065,000	1,065,000	1,065,000	146,024	918,976	86%	✓	Delays in tendering for plant, delivery will occur in next financial year ie: payment will be transferred to next financial year
138070. Waste Minimisation Contract	2,363,896	2,363,896	2,166,721	1,980,019	186,702	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)	(680,250)	(172,000)	(508,250)	-75%	✗	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)	(625,016)	(60,909)	(564,107)	-90%	✗	Timing of plant replacement. Preparation of tender documents for vehicle replacement currently being undertaken.
141650. Commercial Vehicles Proceeds	(550,000)	(550,000)	(550,000)	0	(550,000)	-100%	✗	Timing of plant replacement. Preparation of tender documents for vehicle replacement currently being undertaken.
141750. Major Plant Proceeds	(735,000)	(735,000)	(735,000)	(23,563)	(711,437)	-97%	✗	Timing of plant replacement. Preparation of tender documents for vehicle replacement currently being undertaken.
144450. State Black Spot Funding	(123,714)	(178,714)	(163,812)	(285,828)	122,016	74%	✓	Balance of funding received once jobs completed. Related jobs expected to be finished before end of financial year.

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	444,818	186,926	257,892	58%	✓	Works & Services restructure - salaries being re-allocated. Final structure will not be reflected correctly until 12/13 budget.
145570. CITY DESIGN - SALARIES	508,420	298,202	273,350	141,725	131,625	48%	✓	Works & Services restructure - salaries being re-allocated. Final structure will not be reflected correctly until 12/13 budget.
147320. FUEL & OIL	687,186	687,186	629,869	488,315	141,554	22%	✓	Fuel price and usage not as high as budgeted for.
147520. PARTS	324,080	324,080	294,073	168,227	125,846	43%	✓	Machinery is being kept longer therefore maintenance costs have increased
147920. PLANT-ALLOCATE TO W/SERV.	(2,932,540)	(2,932,540)	(2,687,948)	(2,474,146)	(213,802)	-8%	✗	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.
149840. ASSET UPGRADE-REGIONAL RD	2,496,259	2,484,815	2,294,982	433,660	1,861,322	81%	✓	Year to date expenses are below budget. This is only a timing difference, and annual costs are expected to be in line with budget.
149940. ASSET PRESERVATION	3,195,730	2,660,530	2,467,079	1,314,558	1,152,521	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.

REFER DISCLAIMER

Account	Original Budget	Current Budget	YTD Budgets	YTD Actuals	YTD Variance	YTD Percentage Variance	Variance Ticks	Comments
150140. DRAINAGE CONSTRUCTION	1,175,070	2,375,059	2,220,061	581,256	1,638,805	74%	✓	Year to date expenses are below budget. This is only a timing difference, and annual costs are expected to be in line with budget.
151640. PATHWAY CONSTRUCTION	1,498,497	1,542,998	1,414,109	1,001,641	412,468	29%	✓	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	231,981	97,979	134,002	58%	✓	This is only a timing difference, and annual costs are expected to be in line with budget.
152140. WASTE/TIPS PROJECTS	1,930,010	1,735,011	1,719,575	78,327	1,641,248	95%	✓	Most of the leachgate 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.
154950. DRAINAGE MASTERPLAN INCOME	0	(909,439)	(833,657)	(40,500)	(793,157)	-95%	✗	Capital work relating to this funding has not yet commenced. Most of the project costs will be deferred to 12/13 budget.

POLICY IMPLICATIONS

- 14. The City's 2011/12 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
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