



City of
Greater Geraldton
a vibrant future



MONTHLY FINANCIAL REPORT

For the Period Ended 30 November 2013

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CITY OF GREATER GERALDTON
Statement of Financial Activity for the Period Ended 30 November 2013

	Budget	YTD Budget Estimated	YTD Actual	Variances		
				\$	%	
Operating Income						
Rates	37,847,428	37,597,775	37,484,042	113,733	0.3%	×
Grants & Subsidies, Contributions	35,670,270	4,337,111	4,364,987	(27,876)	-0.6%	✓
Fees & Charges	17,417,497	9,732,606	9,974,231	(241,625)	-2.5%	✓
Interest Earnings	1,758,513	632,714	586,551	46,163	7.3%	×
Other	2,029,625	522,461	563,283	(40,822)	-7.8%	✓
Profit On Disposal Of Assets	578,807	194,932	174,989	19,943	10.2%	×
	95,302,140	53,017,599	53,148,083	(130,484)	-0.2%	✓
Operating Expenditure						
Employee Costs	(28,595,045)	(12,080,870)	(11,709,702)	(371,168)	3.1%	✓
Materials & Contractors	(20,813,074)	(8,972,114)	(9,712,871)	740,757	-8.3%	×
Utility & Govt Charges	(3,185,325)	(837,120)	(829,327)	(7,793)	0.9%	✓
Insurance	(971,360)	(870,844)	(916,950)	46,106	-5.3%	×
Interest/Borrowing Costs	(842,202)	(282,339)	(233,031)	(49,308)	17.5%	✓
Others	(1,244,805)	(394,935)	(353,889)	(41,046)	10.4%	✓
Land Held for Resale (Acquisitions/Developpr	(14,891,646)	0	0	0		×
Depreciation On Assets	(18,042,064)	(7,517,210)	(7,500,000)	(17,210)	0.2%	✓
Loss On Disposal Of Assets	(209,720)	(20,092)	(12,000)	(8,092)	40.3%	✓
	(88,795,241)	(30,975,524)	(31,267,770)	292,246	-0.9%	×
NET OPERATING	6,506,899	22,042,074	21,880,313	161,762	0.7%	×
Non-Cash Expenditure and Revenue						
(Profit) / Loss on Asset Disposals	(369,087)	(174,842)	(162,989)	(11,853)	6.8%	✓
Depreciation on Assets	18,042,064	7,517,210	7,500,000	17,210	0.2%	×
	17,672,977	7,342,368	7,337,011	5,357	0.1%	×
Capital Expenditure						
Purchase Buildings	(9,074,322)	(3,158,711)	(2,558,347)	(600,364)	19.0%	✓
Purchase Plant and Equipment	(2,557,000)	(426,167)	(117,827)	(308,340)	72.4%	✓
Purchase Furniture and Equipment	(703,500)	(216,154)	(67,993)	(148,161)	68.5%	✓
Purchase Infrastructure Assets - Roads	(39,532,725)	(6,179,270)	(5,050,848)	(1,128,422)	18.3%	✓
Purchase Infrastructure Assets - Parks	(4,026,000)	(1,677,500)	(1,450,246)	(227,254)	13.5%	✓
Purchase Infrastructure Assets - Meru	(8,922,135)	0	0	0		×
Repayment of Debentures	(3,089,287)	(807,183)	(704,233)	(102,950)	12.8%	✓
Self Supporting / Council Loans paid out	0	0	0	0		×
	(67,904,969)	(12,464,985)	(9,949,494)	(2,515,491)	20.2%	✓
Capital Revenue						
Proceeds from Disposal of Assets	3,885,000	255,450	206,452	48,998	19.2%	×
Proceeds from New Debentures	21,030,000	0	0	0		×
Non Operating Grants & Subsidies, Contribu	0	0	0	0		
Self-Supporting Loan Principal Income	92,124	34,814	45,217	(10,403)	-29.9%	✓
Council Loan Principal Income	0	0	12,616	(12,616)		✓
	25,007,124	290,264	264,285	25,979	9.0%	×
Reserves						
Transfers to Reserves	(448,000)	(186,660)	(137,000)	(49,660)	26.6%	✓
Transfers from Reserves	21,974,639	4,335,617	4,298,221	37,396	0.9%	×
	21,526,639	4,148,957	4,161,221	(12,264)	-0.3%	✓
Current Funding Surplus (Deficit)	2,808,670	21,358,679	23,693,336	(2,334,657)	-10.9%	✓

NOTE 1. MAJOR VARIANCES

Operating Income

Operating Income is showing a positive variance of \$130,484 or 0.2% due to the following:

Rates – The negative variance of \$113,733 or 0.3% is due to interim rates which will come in progressively during the second half of the year.

Fees and Charges – The positive variance of \$ 241,625 or 2.5% is due to higher takings in several activities in fees and charges including Meru landfill.

Operating Expenditure

Operating expenditure is showing a negative variance (over-spend) of \$292,246 or 0.9% due to the following:

Employee Costs - The small positive variance of \$371,168 or 3.1% is in line with budgeted expenditure with employee provisions to be added at year end.

Materials and Contractors - The negative variance of \$740,757 or 8.3% is mainly due to some over expenditure in Verita road projects.

Capital Expenditure

Capital expenditure is showing a positive variance (under-spend) of \$2,515,491 or 20.2% due to the following:

Purchase of Buildings – The positive variance of \$600,364 or 19.0% is associated with the timing and profiling of the projects.

Purchase of Plant and Equipment – The positive variance of \$308,340 or 72.4% is associated with a later than usual replacement of plant and equipment.

Purchase of Furniture and Equipment – The positive variance of \$148,161 or 68.5% is associated with a less than expected order of new furniture and equipment.

Purchase of Infrastructure Assets – Roads - The positive variance of \$1,128,422 or 18.3% is associated with the timing of certain projects being just past the stage of development. More projects are now underway.

Purchase of Infrastructure Assets – Parks - The positive variance of \$227,254 or 13.5% is associated with the timing of certain projects

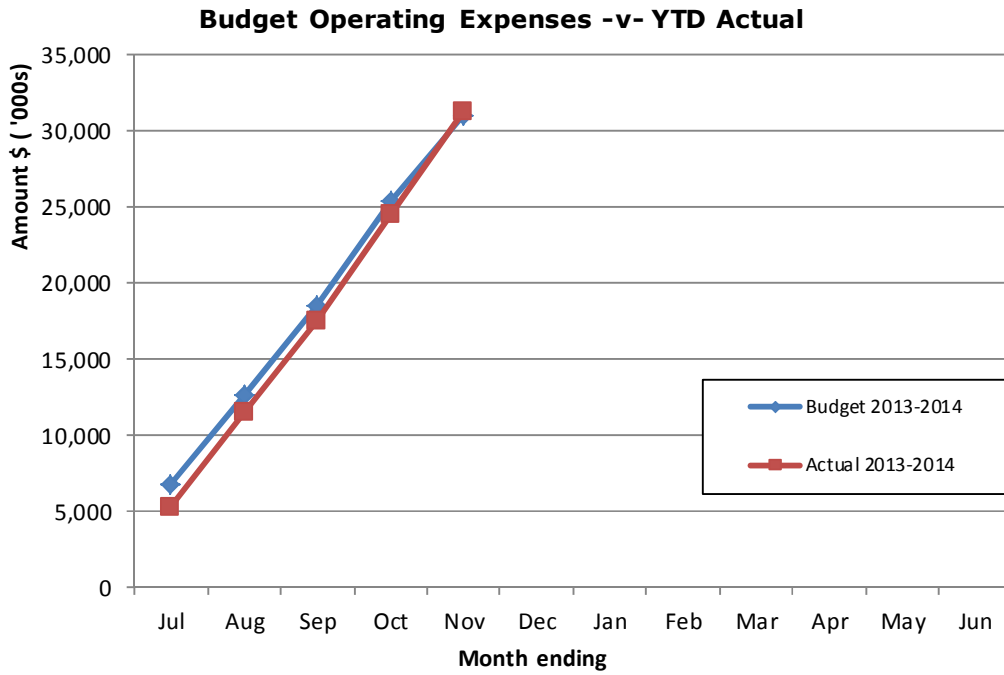
Repayment of Debentures – The positive variance of \$102,950 or 12.8% is associated with a lower level of debentures as no new debentures are added during the year.

Capital Revenue

Capital revenue is showing a slight negative net variance of \$25,979 or 9.0% with no significant variances.

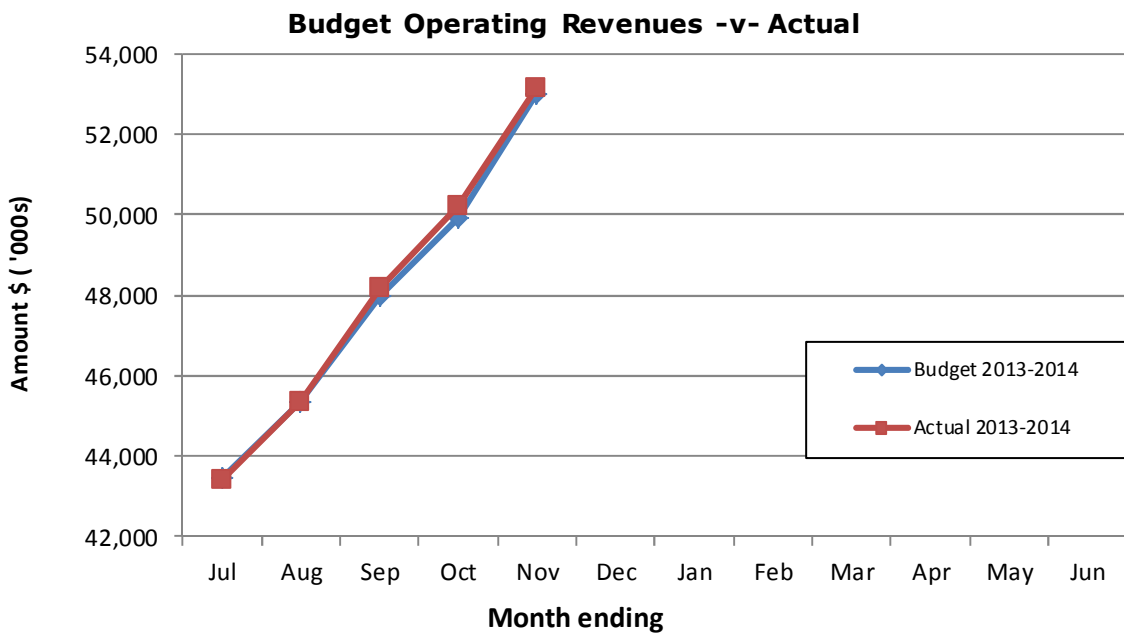
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30th November 2013

Note 2 - Graphical Representation - Source Statement of Financial Activity



Comments/Notes - Operating Expenses

Operating expenditure recorded as at 30 November is \$31,267,770. Major positive variances in employee costs and materials and contractors.

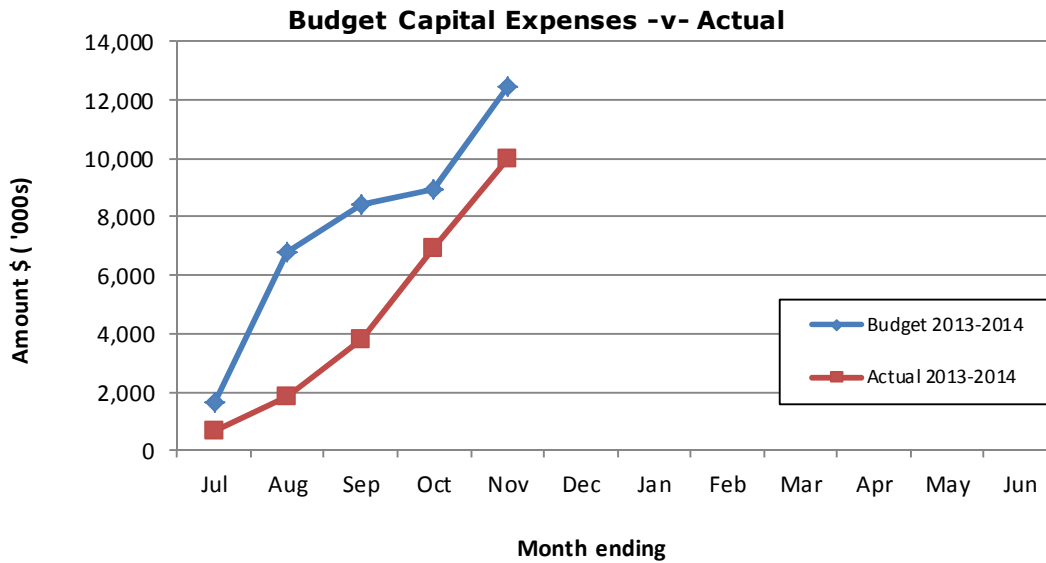


Comments/Notes - Operating Revenues

Operating income recorded as at 30 November is \$53,148,083. Major variance in fees and charges and rates.

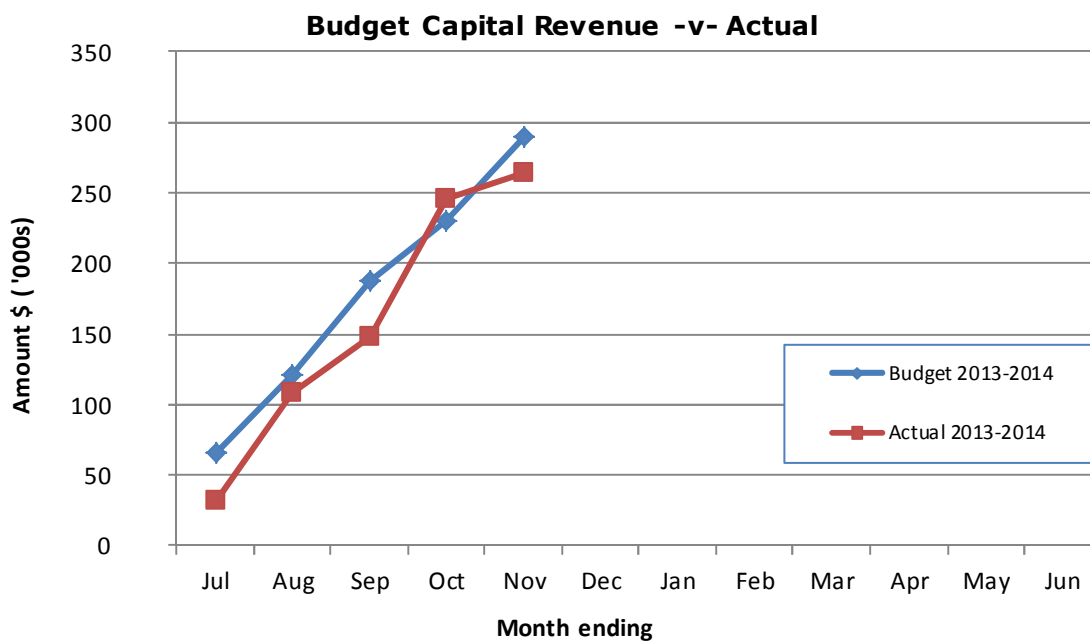
City of Greater Geraldton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30th November 2013

Note 2 - Graphical Representation - Source Statement of Financial Activity



Comments/Notes - Capital Expenses

Capital expenditure recorded as at 30 November is \$9,949,494. Major positive variances include purchase buildings, plant & equipment, furniture, roads and parks.



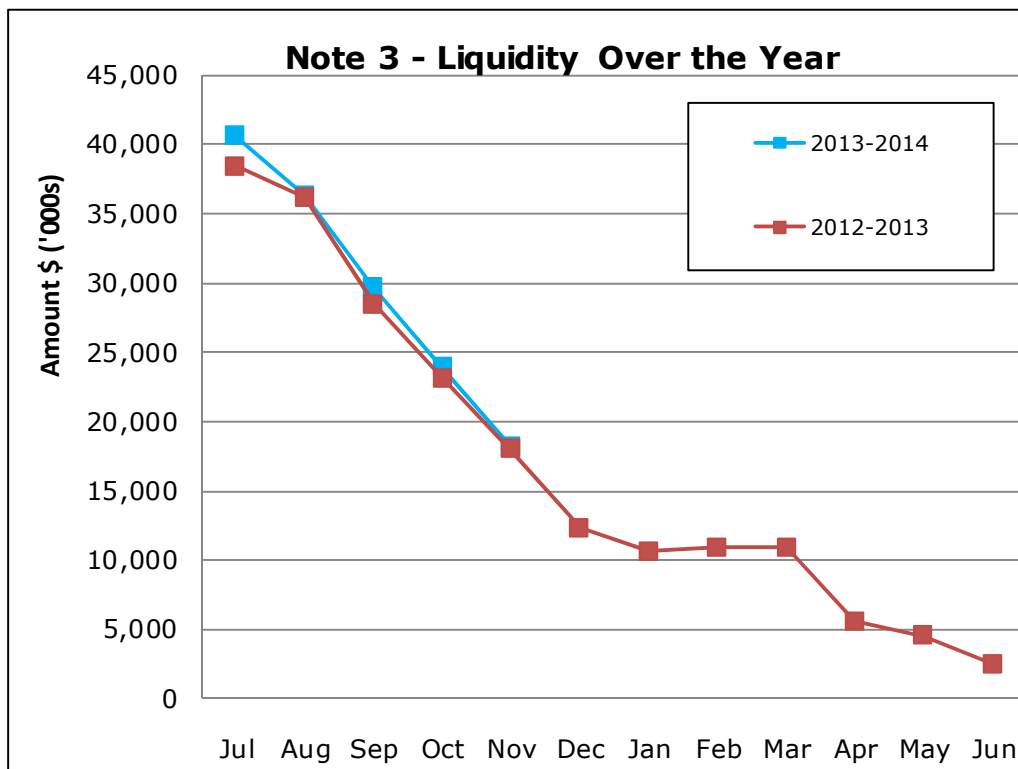
Comments/Notes - Capital Revenues

Capital revenue recorded as at 30 November is \$264,285. There are no major variances.

City of Greater Geraldton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30th November 2013

Note 3: NET CURRENT FUNDING POSITION

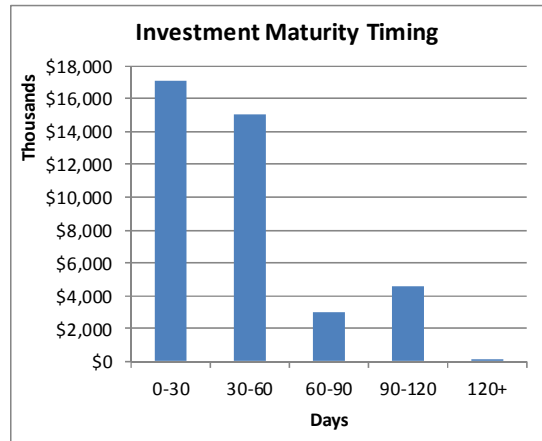
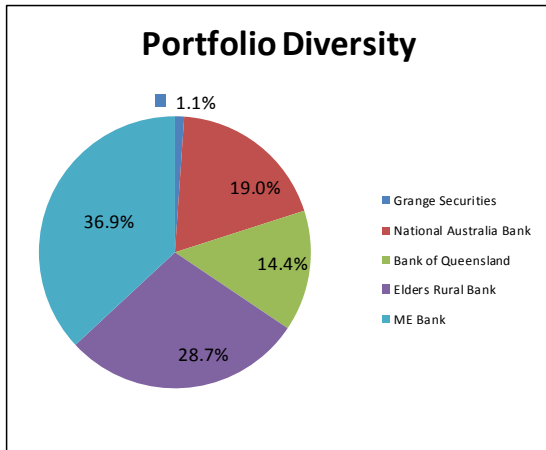
	Positive=Surplus (Negative=Deficit)		
	2013-2014		2012-2013
	This Period	Last Period	This Period
	\$	\$	\$
Current Assets			
Cash at Bank			
Municipal Account	18,351,688	16,301,303	13,969,464
Reserve Account	24,969,290	26,337,353	31,758,740
Restricted Assets	824,844	826,713	833,633
Total Cash at Bank	44,145,822	43,465,369	46,561,837
Receivables			
Prepayments	75,552	73,180	93,951
Tax Recoverable	562,655	63,445	1,050,133
Sundry Debtors	1,979,094	6,901,799	1,914,738
Rates Receivable	8,667,643	10,669,680	8,647,716
Inventories	371,046	319,486	338,353
Total Current Assets	55,801,813	61,492,959	58,606,727
Less: Current Liabilities			
Creditors and Provisions	614,224	501,665	2,436,990
Current Borrowings	2,108,555	2,239,311	1,629,191
Employee Entitlements	4,361,667	4,364,332	3,931,797
	7,084,446	7,105,308	7,997,978
Less: Cash Restricted	(30,528,574)	(30,528,574)	(32,592,373)
Net Current Funding Position	18,188,793	23,859,077	18,016,377



City of Greater Geraldton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30/11/2013

Note 4 - Monthly Investment Report

Deposit Ref	Current Credit Rating	Maturity/ Conversion	Invested Interest rates	Amount Invested	Interest Earned YTD	Current Value @30/11/2013	Percentage of Portfolio
Grange Securities							
Kakadu	D	20/3/2014	4.78%	700,000		364,000	
Parkes AAA	D	20/6/2015	5.01%	250,000		75,000	
Scarborough AA Ac 21	N/R			500,000	-	-	
Subtotal				1,450,000	-	439,000	1.1%
** 26th February 2013 received \$ 480,960 re Merimbula Dante notes FV \$ 500,000. ** 21st March 2013 received \$348,658 re Helium Capital - Esperance notes FV \$500,000.							
National Australia Bank							
Municipal241	A1+	12/12/2013	3.89%	3,000,000	█	3,000,000	
Reserve169	A1+	19/12/2013	3.89%	1,547,000	█	1,547,000	
Reserve176	A1+	13/2/2014	3.89%	3,000,000	█	3,000,000	
Subtotal				7,547,000	-	7,547,000	19.0%
Bank of Queensland							
Reserve171	A2	19/12/2013	3.80%	665,000	█	665,000	
Reserve172	A2	19/12/2013	3.80%	831,531	█	831,531	
Reserve177	A2	13/3/2014	3.90%	4,216,222	█	4,216,222	
Subtotal				5,712,753	-	5,712,753	14.4%
Elders Rural Bank							
Municipal242	A2	21/1/2014	3.65%	5,000,000	█	5,000,000	
Reserve173	A2	20/12/2013	3.82%	1,377,600	█	1,377,600	
Reserve175	A2	14/1/2014	3.74%	5,000,000	31,252	5,031,252	
Subtotal				11,377,600	31,252	11,408,852	28.7%
ME Bank							
Municipal240	A2	27/12/2013	3.95%	5,000,000	█	5,000,000	
Reserve170	A2	19/12/2013	3.75%	4,700,000		4,700,000	
Reserve174	A2	14/1/2014	3.95%	5,000,000		5,000,000	
Subtotal				14,700,000	-	14,700,000	36.9%
Total Funds Invested				40,787,353	31,252	39,807,605	100.0%

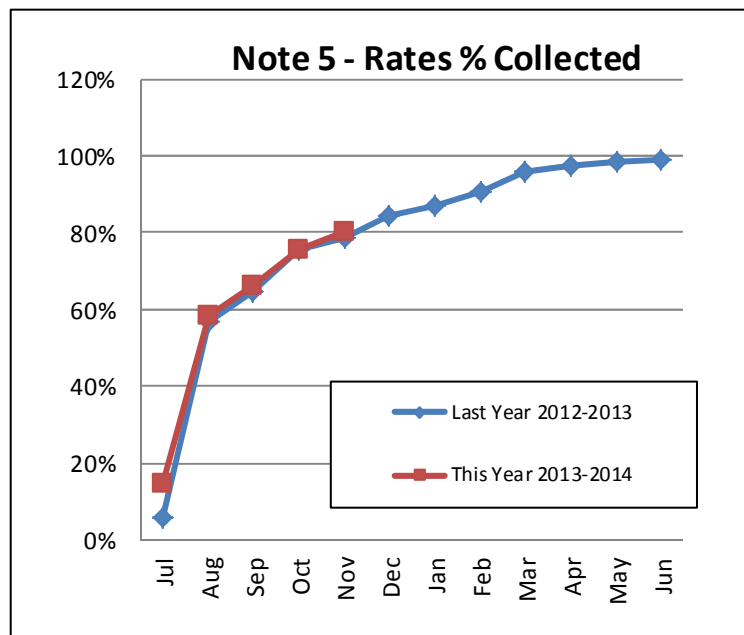


City of Greater Geraldton
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY
For the Period Ended 30th November 2013

Note 5 : RECEIVABLES

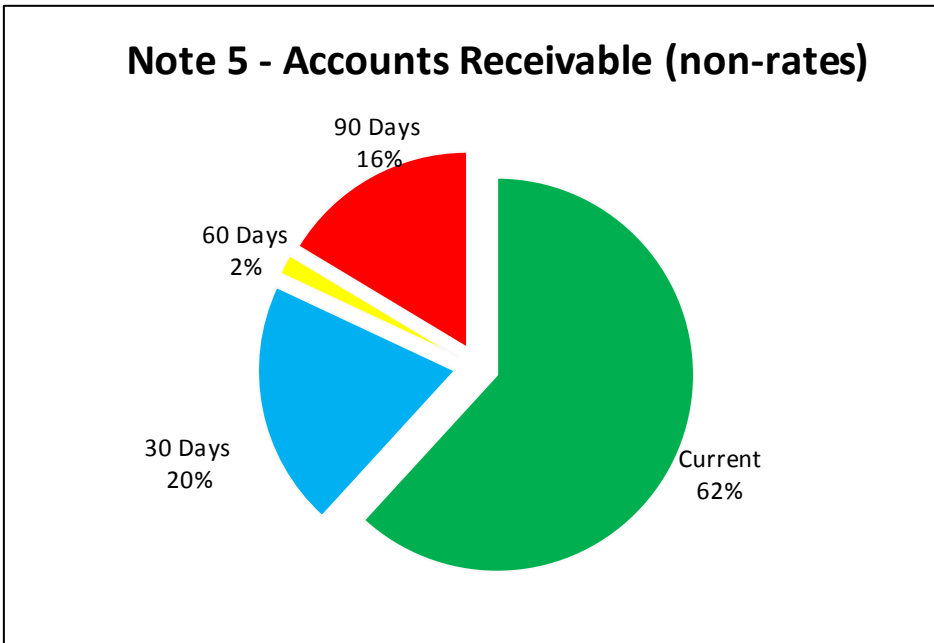
Receivables - Rates and Rubbish

	Current 2013-2014
	\$
Opening Arrears Previous Years	(1,742,000)
Rates Levied this year	(44,059,699)
<u>Less</u> Collections to date	(35,224,224)
Equals Current Outstanding	(10,577,475)
<i>Comprises of Current Amt:</i>	(10,346,088)
<i>Deferred Amt:</i>	(231,387)
Net Rates Collectable	
% Collected	79.95%



Receivables - General

	Current	30 Days	60 Days	90 Days
	\$	\$	\$	\$
	1,227,924	401,212	32,767	325,463
Total Outstanding				<u>1,987,366</u>
General	1,071,057	54%		
Airport	663,748	33%		
Meru	252,561	13%		
	<u>1,987,366</u>	<u>100%</u>		



Comments/Notes - Receivables Rates and Rubbish

Rates collections are 79.95% of total rates billed in November post 2nd rate instalment on 23/10/2013. 3rd instalment due 23/12/2013.

Comments/Notes - Receivables General

*Major debtors in November include: Main Roads \$389,549, Virgin Australia \$387,136, Qantaslink \$153,088 and Department of Health \$ 115,685.
 *90 days and over: Point Moore Leases \$224,034, Historical Society \$45,139, Meru \$11,775