



CITY OF GREATER GERALDTON

## MONTHLY MANAGEMENT REPORT



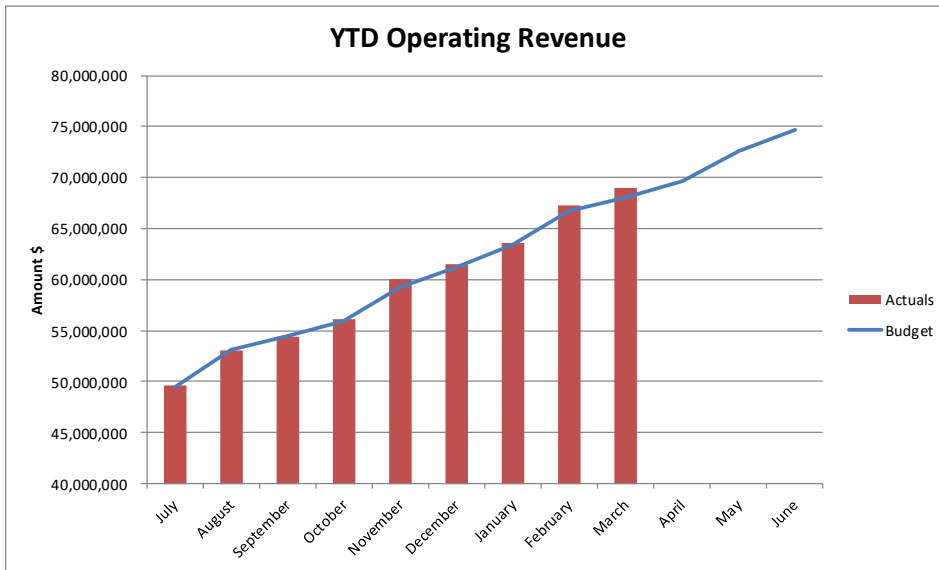
FOR THE PERIOD ENDED 31<sup>st</sup> MARCH 2017

## CONTENTS

### Table of Contents

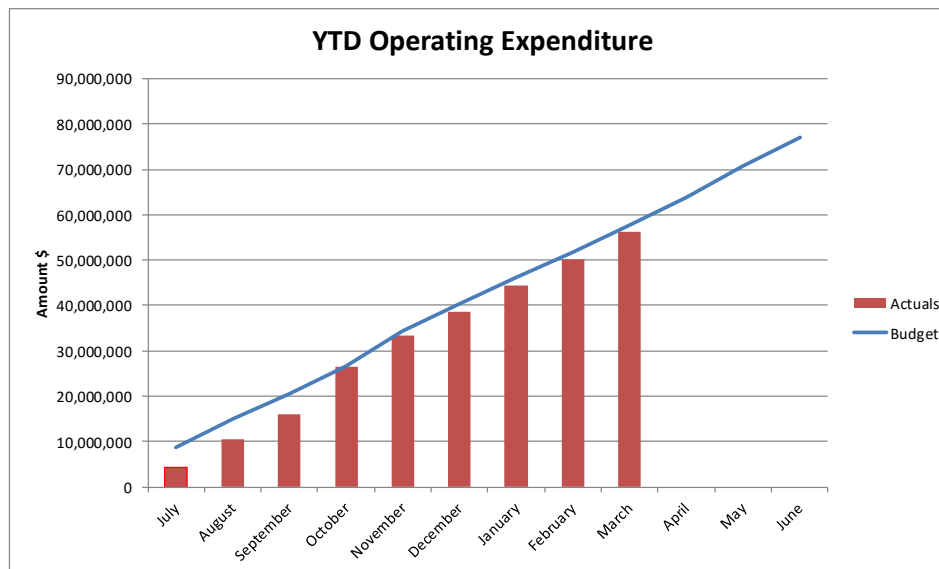
1. ECONOMIC KEY PERFORMANCE INDICATORS .....	3
2. SOCIAL KEY PERFORMANCE INDICATORS .....	5
3. GOVERNANCE KEY PERFORMANCE INDICATORS .....	6
4. ENVIRONMENTAL KEY PERFORMANCE INDICATORS .....	7
5. STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31 <sup>ST</sup> MARCH, 2017.....	8
6. NET CURRENT FUNDING POSITION.....	10
7. MONTHLY INVESTMENT REPORT.....	11

**ECONOMIC KEY PERFORMANCE INDICATORS**



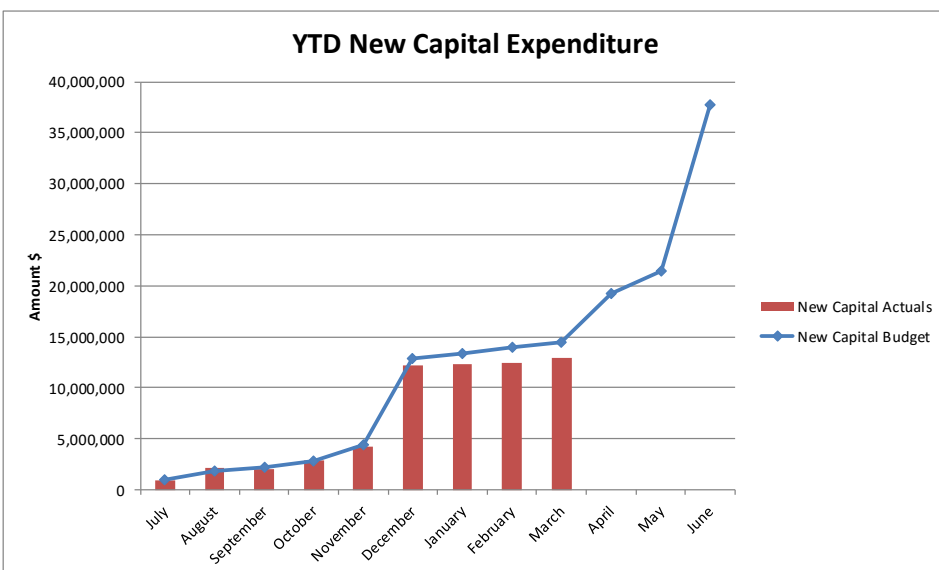
**Status:** ●

**Comments:**  
 Operating revenue recorded as at 31 March is \$68,974,589. Operating income is showing a positive variance of \$930,420. Reimbursements is showing a positive variance of \$266,727 due to an increase in recoverable cost. Fees and Charges is showing a positive variance of \$465,356. This is mostly due to increased activity at the Meru Landfill and the implementation of a new methodology to account for Free Tipping charges. The latter results in a similar increase in Other Expenditure. Interest Revenue shows a positive variance of \$320,324. This is due to both upfront payments of grants (Beresford Foreshore) and reduced cash outflows to date which has allowed the City to invest a greater amount of funds for longer periods.



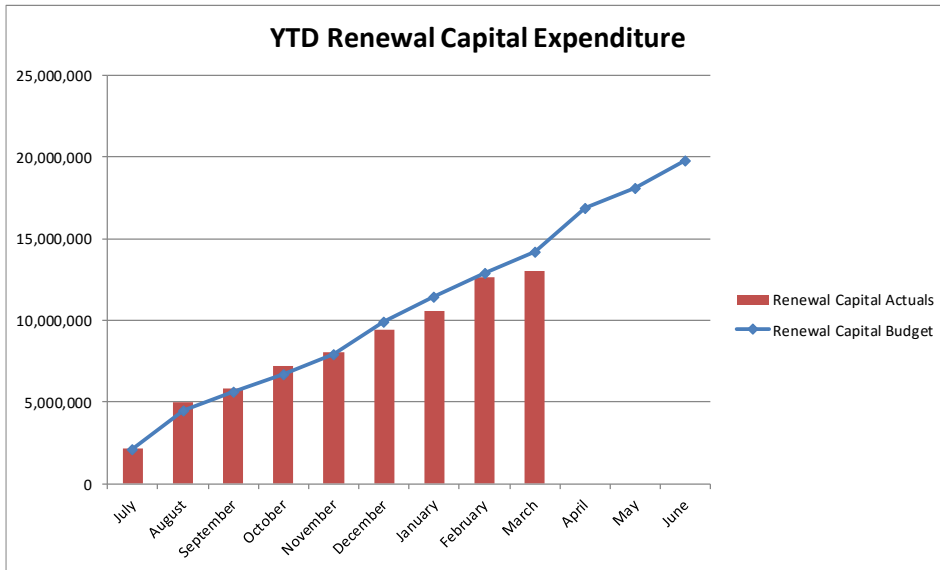
**Status:** ●

**Comments:**  
 Operating expenditure recorded as at 31 March is \$56,354,485 including commitments of \$2,978,668. Employee Costs has a positive variance of \$612,459 due to a timing lag in filling vacant positions. Utility & Government Charges has a positive variance of \$248,848 due to invoice timing issues and Materials & Contractors has a positive variance of \$1,142,554 due to timing issues, however, there has been a recognised YTD savings in the cost of sanitation services due to a change in service delivery implemented in 2015-16.



**Status:** ●

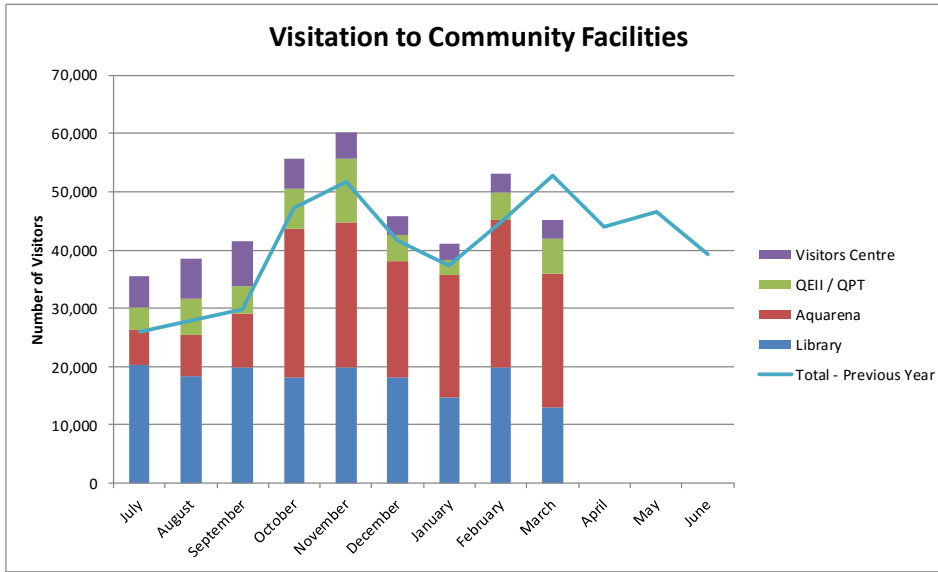
**Comments:**  
 New capital expenditure recorded as at 31 March is \$12,996,840 (including \$5,280,106 committed). Capital expenditure variances are associated with the timing of acquisitions and profiling of cash outflows.



Status: ●

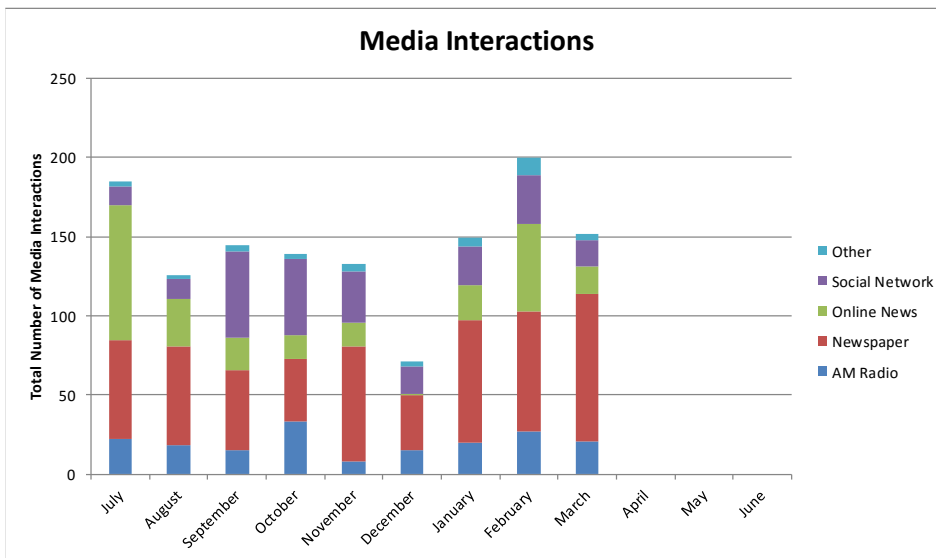
Comments:  
 Renewal capital expenditure recorded as at 31 March is \$13,019,832 (including \$5,423,099 committed). Capital expenditure variances are associated with the timing of acquisitions and profiling of cash outflows.

**SOCIAL KEY PERFORMANCE INDICATORS**



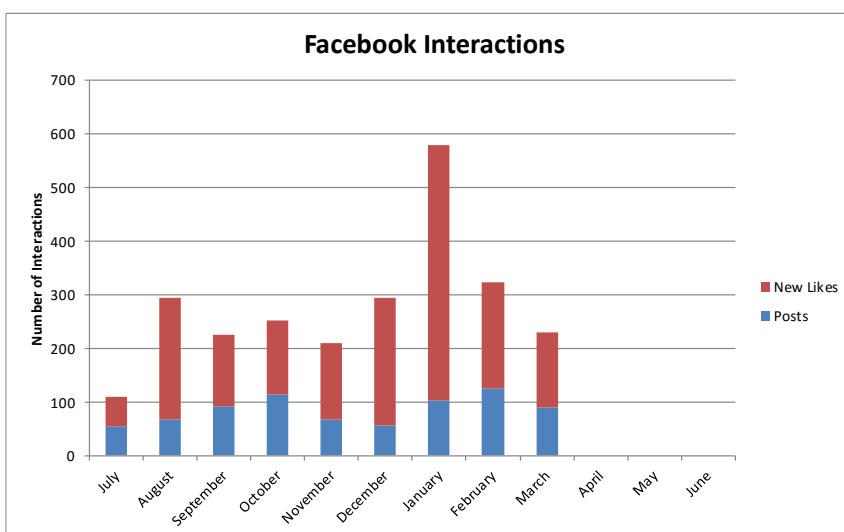
**Status:** ●

**Comments:**  
 Visitations to facilities showed a drop in movements from February due to the door count at the Library been turned off for 12 days to facilitate the migration to the new Library Management System.



**Status:** ●

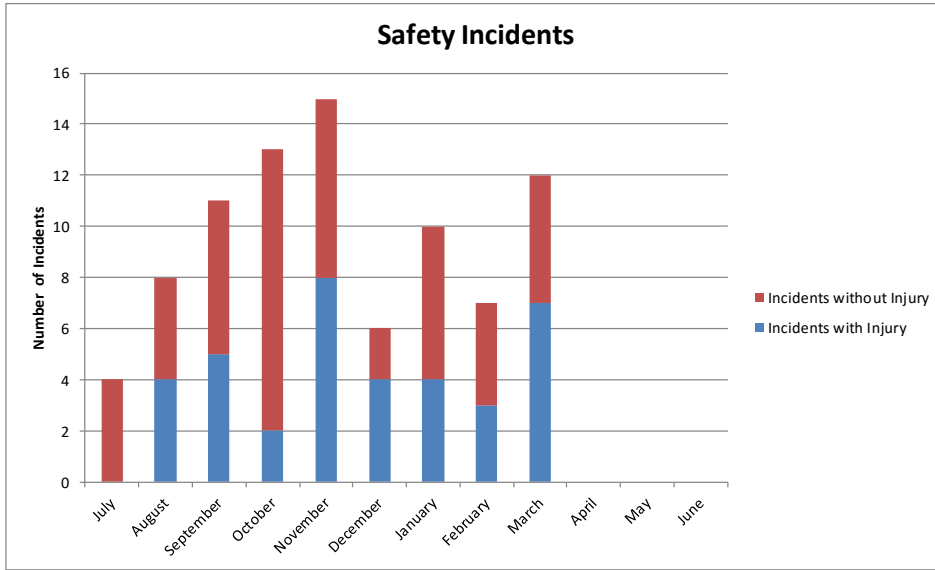
**Comments:**  
 Media interactions during the month of March:  
 - Removal of trees at Aldi site  
 - Fools on the Foreshore  
 - Jackass controversy  
 - Wunderkammer coverage  
 - Passing of Ian Carpenter



**Status:** ●

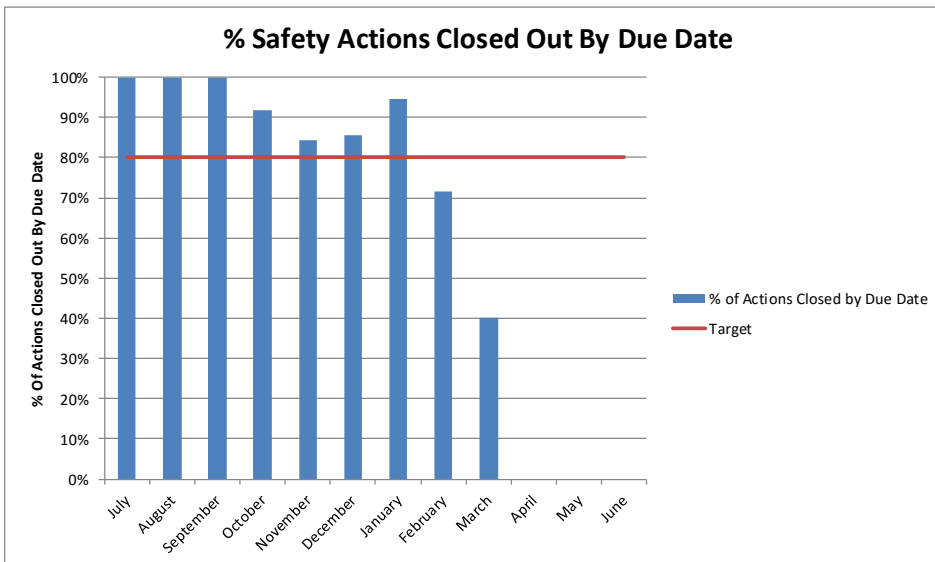
**Comments:**  
 City Of Greater Geraldton's Facebook page visits for March resulted in 89 new posts and 141 new likes.  
 Main topics:  
 - Shigella Virus notice: 27.6k  
 - Extended trading hours: 10.1k  
 - Youth Precinct slideshow: 9.6k  
 - Fools on the Foreshore announcement: 8.9k  
 - West Coast Eagles Community video: 8.4k  
 - Passing of Ian Carpenter: 7.8k

**GOVERNANCE KEY PERFORMANCE INDICATORS**



Status: ●

Comments:  
There were 7 incidents with injury and 5 incidents without injury in March.



Status: ●

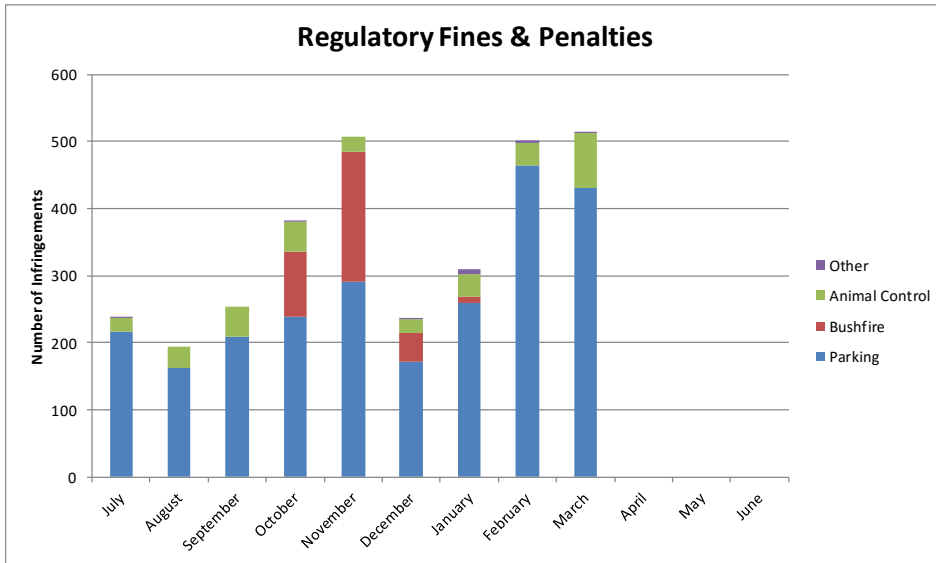
Comments:  
11 actions were closed in March and 15 actions are currently overdue.



Status: ●

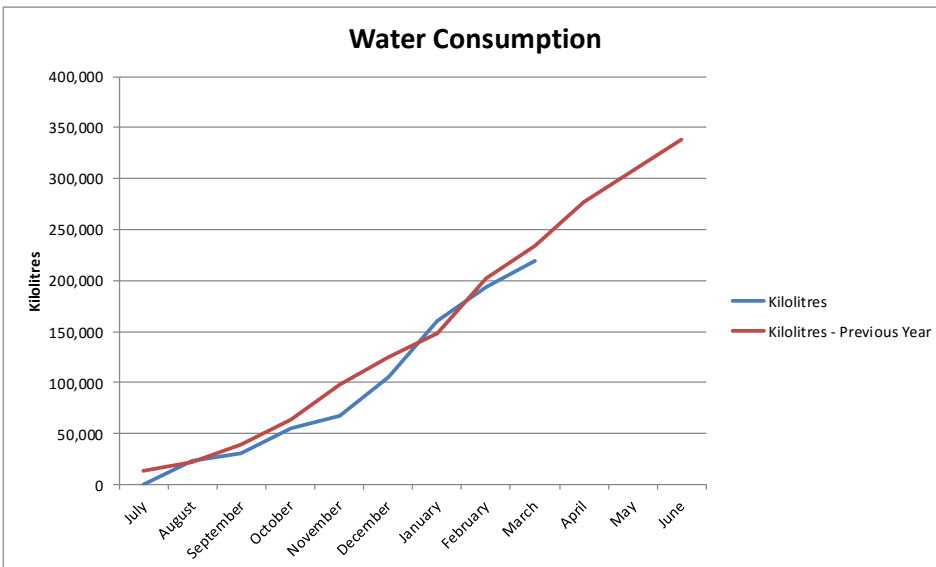
Comments:  
7 inspections were scheduled in March and 7 were completed.

**ENVIRONMENTAL KEY PERFORMANCE INDICATORS**



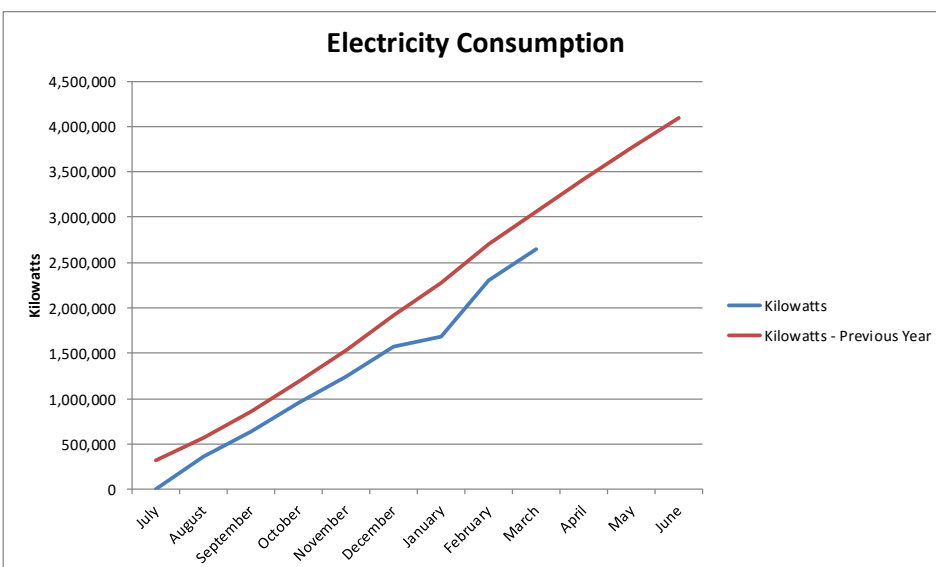
Status: ●

Comments:  
 Fines issued in March:  
 Parking: 430,  
 Animal Control: 83.



Status: ●

Comments:  
 Total kilolitres used up to 31 March is 219,888 compared to 233,578 last year. Variable billing periods do not allow for precise correlation to the previous financial year.



Status: ●

Comments:  
 Total kilowatts used up to 31 March is 2,652,785 compared to 3,056,138 last year. Variable billing periods do not allow for precise correlation to the previous financial year.

## CITY OF GREATER GERALDTON

STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH, 2017CITY OF GREATER GERALDTON  
Statement of Financial Activity for the Period Ended 31 March 2017

	Current Budget	Current YTD Budget	YTD Actual	YTD Major Commitments	Variances (committments incl)	
					\$	%
<b>Operating Income</b>						
Rates	43,023,783	42,931,280	42,855,519		75,761	0.2% X
Operating Grants & Subsidies	7,893,241	6,029,877	6,049,582		-19,705	-0.3% ✓
Contributions Reimbursements & Donations	666,278	539,121	805,848		-266,727	-49.5% X
Fees & Charges	20,765,826	17,119,538	17,584,894		-465,356	-2.7% X
Interest Earnings	1,399,558	971,298	1,291,622		-320,324	-33.0% X
Other	752,517	389,228	365,865		23,363	6.0% ✓
Profit On Disposal Of Assets	122,452	63,827	21,259		42,568	66.7% X
	<b>74,623,655</b>	<b>68,044,169</b>	<b>68,974,589</b>		<b>-930,420</b>	<b>-1.4%</b>
<b>Operating Expenditure</b>						
Employee Costs	-26,738,435	-19,237,476	-18,545,767	-79,250	-612,459	3.2% X
Materials & Contractors	-22,695,361	-17,900,889	-13,862,256	-2,896,078	-1,142,554	6.4% X
Utility & Govt Charges	-3,368,899	-2,349,767	-2,100,296	-623	-248,848	10.6% X
Insurance	-893,510	-877,904	-752,107		-125,797	14.3% X
Interest/Borrowing Costs	-1,154,733	-505,079	-496,799		-8,280	1.6% ✓
Other Expenditure	-1,288,918	-1,072,709	-1,612,120	-2,717	542,128	-50.5% X
Depreciation On Assets	-20,979,104	-15,734,358	-15,913,774		179,416	-1.1% X
Loss On Disposal Of Assets	-70,338	-52,749	-92,699		39,950	-75.7% X
	<b>-77,189,298</b>	<b>-57,730,931</b>	<b>-53,375,817</b>	<b>-2,978,668</b>	<b>-1,376,445</b>	<b>2.4%</b>
<b>NET OPERATING</b>	<b>-2,565,643</b>	<b>10,313,238</b>	<b>15,598,772</b>	<b>-2,978,668</b>	<b>-2,306,866</b>	<b>-22.4%</b>
<b>Non-Cash Expenditure and Revenue</b>						
(Profit) / Loss on Asset Disposals	-52,114	-11,078	71,440		-82,518	744.9% X
Depreciation on Assets	20,979,104	15,734,358	15,913,774		-179,416	-1.1% X
Movement in Non-current staff leave provisions	18,160	0	0		0	
	<b>20,945,150</b>	<b>15,723,280</b>	<b>15,985,214</b>		<b>-261,934</b>	<b>-1.7%</b>
<b>Capital Expenditure</b>						
Purchase Land	-3,150,000	-1,420,000	-1,459,170	0	39,170	-2.8% ✓
Purchase Buildings	-4,306,885	-1,320,776	-960,747	-407,095	47,066	-3.6% ✓
Purchase Plant and Equipment	-2,552,650	-1,260,278	-485,946	-110,695	-663,638	52.7% X
Purchase Furniture and Equipment	-799,700	-707,472	-579,917	-32,036	-95,519	13.5% X
Purchase Infrastructure Assets - Roads	-12,495,334	-10,419,164	-8,226,420	-1,670,098	-522,646	5.0% X
Purchase Infrastructure Assets - Parks	-29,727,047	-10,422,442	-1,266,153	-8,153,837	-1,002,452	9.6% X
Purchase Infrastructure Assets - Airport	-664,245	-555,491	-251,019	-188,261	-116,210	20.9% X
Purchase Infrastructure Assets - Meru	-735,935	-729,686	-668,035	-42,878	-18,774	2.6% ✓
Purchase Infrastructure Assets - Other	-3,115,407	-1,801,697	-1,416,061	-98,306	-287,331	15.9% X
Repayment of Debentures	-3,749,553	-2,167,369	-2,167,764	0	395	0.0% ✓
	<b>-61,296,756</b>	<b>-30,804,375</b>	<b>-17,481,231</b>	<b>-10,703,205</b>	<b>-2,619,939</b>	<b>8.5%</b>
<b>Capital Revenue</b>						
Non Operating Grants & Subsidies	29,097,177	13,822,777	13,798,493		24,284	0.2% ✓
Proceeds from Disposal of Assets	3,773,400	270,802	303,442		-32,640	-12.1% X
Proceeds from New Debentures	7,600,000	0	0		0	
Self-Supporting Loan Principal Income	86,625	63,328	59,142		4,186	6.6% ✓
Council Loan Principle Income	0	0	0		0	
	<b>40,557,202</b>	<b>14,156,907</b>	<b>14,161,077</b>		<b>-4,170</b>	<b>0.0%</b>
<b>Reserves</b>						
Transfers to Reserves	0	0	0		0	
Transfers from Reserves	5,147,509	0	0		0	
	<b>5,147,509</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>✓</b>
<b>Current Funding Surplus (Deficit)</b>	<b>2,787,462</b>	<b>9,389,050</b>	<b>28,263,831</b>	<b>-13,681,873</b>	<b>5,192,908</b>	



## MAJOR VARIANCES

### Operating Income

Operating revenue recorded as at 31 March is \$68,974,589. Operating income is showing a positive variance of \$930,420. Reimbursements is showing a positive variance of \$266,727 due to an increase in recoverable cost. Fees and Charges is showing a positive variance of \$465,356. This is mostly due to increased activity at the Meru Landfill and the implementation of a new methodology to account for Free Tipping charges. The latter results in a similar increase in Other Expenditure. Interest Revenue shows a positive variance of \$320,324. This is due to both upfront payments of grants (Beresford Foreshore) and reduced cash outflows to date which has allowed the City to invest a greater amount of funds for longer periods.

### Operating Expenditure`

Operating expenditure recorded as at 31 March is \$56,354,485 including commitments of \$2,978,668. Employee Costs has a positive variance of \$612,459 due to a timing lag in filling vacant positions. Utility & Government Charges has a positive variance of \$248,848 due to invoice timing issues and Materials & Contractors has a positive variance of \$1,142,554 due to timing issues, however, there has been a recognised YTD savings in the cost of sanitation services due to a change in service delivery implemented in 2015-16.

### Capital Expenditure

Capital Expenditure is showing a positive under-spend of \$2,619,939. Capital expenditure variances are associated with the timing of acquisitions (e.g. Construction of Derna Park Public Toilets, Ordering of Plant and Vehicles) and profiling of cash outflows (e.g. Beresford Foreshore Project).

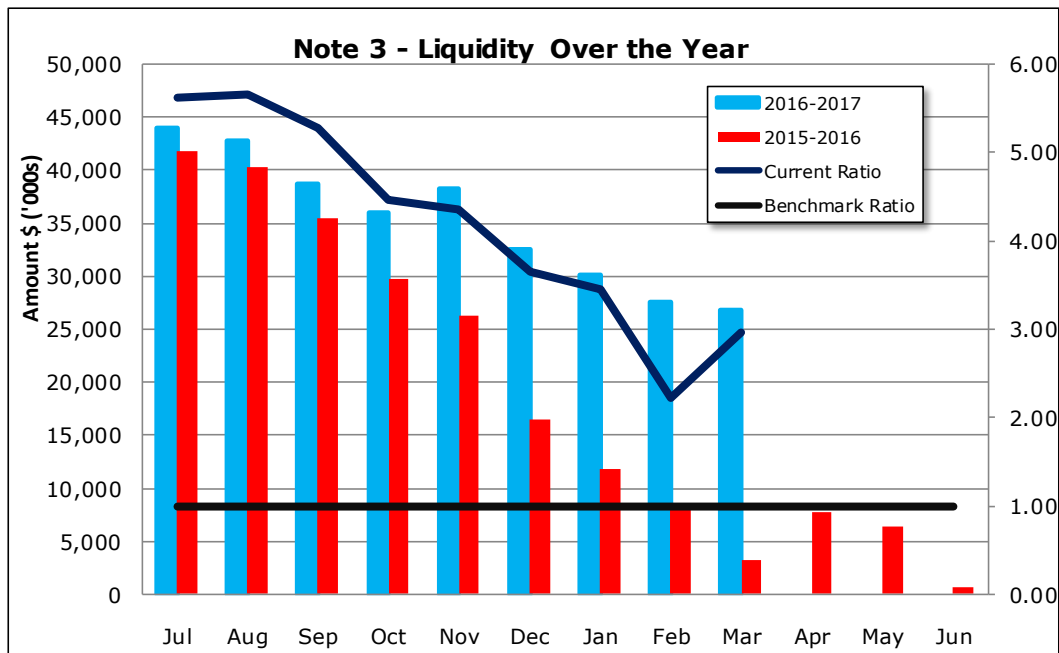
Major Capital commitments end of February \$ 10,703,205.

**NET CURRENT FUNDING POSITION**

**City of Greater Geraldton  
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY  
For the Period Ended 31 March 2017**

**Note 3: NET CURRENT FUNDING POSITION**

	Positive=Surplus (Negative=Deficit)		
	2016-2017		2015-2016
	This Period	Last Period	This Period
	\$	\$	\$
<b>Current Assets</b>			
Cash at Bank			
Municipal Account	29,654,142	30,197,744	5,575,029
Reserve Account	10,469,759	10,469,759	16,914,072
Restricted Assets	8,948,744	8,938,801	11,711,735
Total Cash at Bank	49,072,646	49,606,304	34,200,837
Receivables			
Prepayments	92,004	50,021	16,558
Tax Recoverable	330,235	290,563	415,359
Sundry Debtors	935,231	992,604	1,296,437
Rates Receivable	4,969,729	5,665,159	4,505,522
Inventories	685,416	597,600	364,850
<b>Total Current Assets</b>	56,085,261	57,202,251	40,799,563
<b>Less: Current Liabilities</b>			
Creditors and Provisions	1,696,485	2,013,760	1,201,928
Current Borrowings	3,657,345	3,656,898	3,059,242
Employee Entitlements	4,504,697	4,497,010	4,707,879
	9,858,526	10,167,667	8,969,050
Less: Cash Restricted	(19,418,503)	(19,408,561)	(28,625,807)
<b>Net Current Funding Position</b>	<b>26,808,232</b>	<b>27,626,023</b>	<b>3,204,706</b>

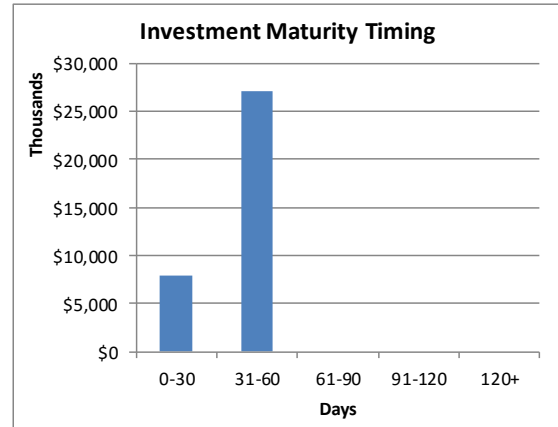
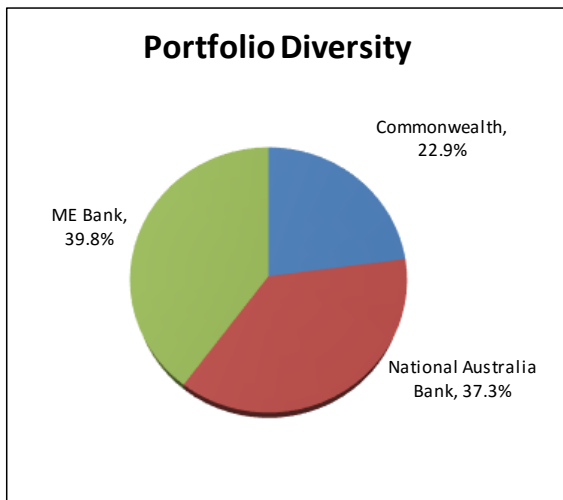


**MONTHLY INVESTMENT REPORT**

City of Greater Geraldton  
**NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY**  
 For the Period Ended 31 March 2017

**Note 4 - Monthly Investment Report**

Deposit Ref	Current Credit Rating	Maturity/ Conversion	Invested Interest rates	Amount Invested	Interest Earned YTD	Current Value @31/03/2017	Percentage of Portfolio
<b>Commonwealth</b>							
Municipal 264	A1+	10/4/2017	2.09%	3,000,000	-	3,000,000	
Municipal 265	A1+	1/5/2017	2.09%	5,052,772	-	5,052,772	
<b>Subtotal</b>				<b>8,052,772</b>	<b>-</b>	<b>8,052,772</b>	<b>22.9%</b>
<b>National Australia Bank</b>							
Reserve 189	A1+	8/5/2017	2.79%	6,000,000	83,012	6,083,012	
Municipal 261	A1+	30/5/2017	2.70%	2,000,000	13,315	2,013,315	
Municipal 262	A1+	24/4/2017	2.63%	5,000,000		5,000,000	
<b>Subtotal</b>				<b>13,000,000</b>	<b>96,327</b>	<b>13,096,327</b>	<b>37.3%</b>
<b>ME Bank</b>							
Reserve 190	A2	8/5/2017	2.65%	4,327,730	59,017	4,386,747	
Municipal 259	A2	23/5/2017	2.65%	5,000,000	33,534	5,033,534	
Municipal 260	A2	28/5/2017	2.60%	4,547,744		4,547,744	
<b>Subtotal</b>				<b>13,875,474</b>	<b>92,551</b>	<b>13,968,025</b>	<b>39.8%</b>
<b>Total Funds Invested</b>				<b>34,928,246</b>	<b>188,879</b>	<b>35,117,124</b>	<b>100.0%</b>



Commonwealth	22.9%
National Australia Bank	37.3%
ME Bank	39.8%
	<b>100.0%</b>