



CITY OF GREATER GERALDTON

MONTHLY MANAGEMENT REPORT



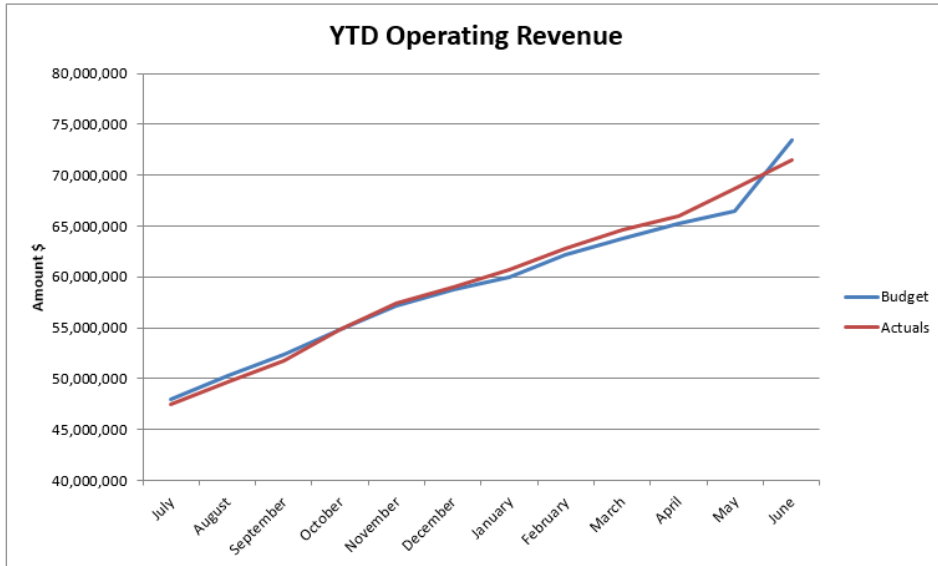
FOR THE PERIOD ENDED 30TH JUNE 2016

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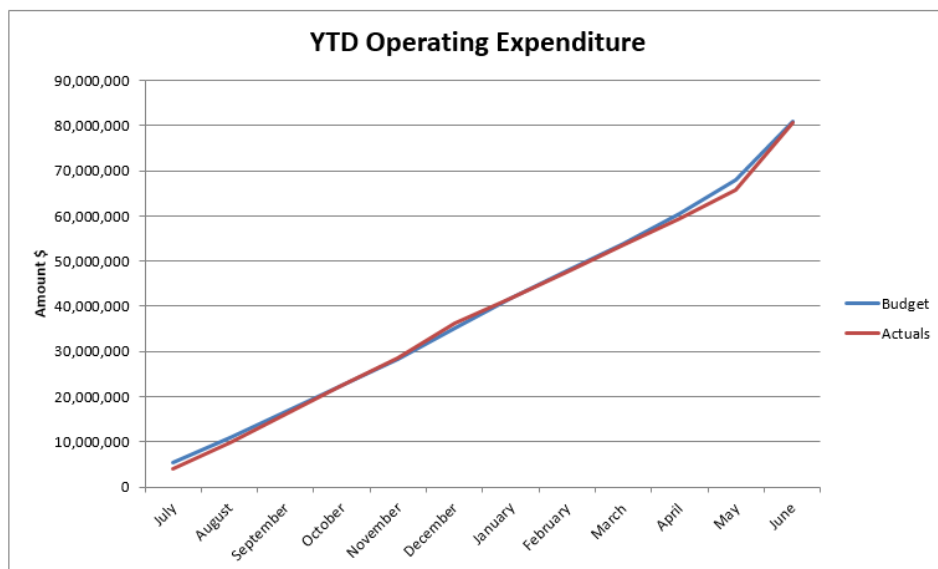
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ECONOMIC KEY PERFORMANCE INDICATORS



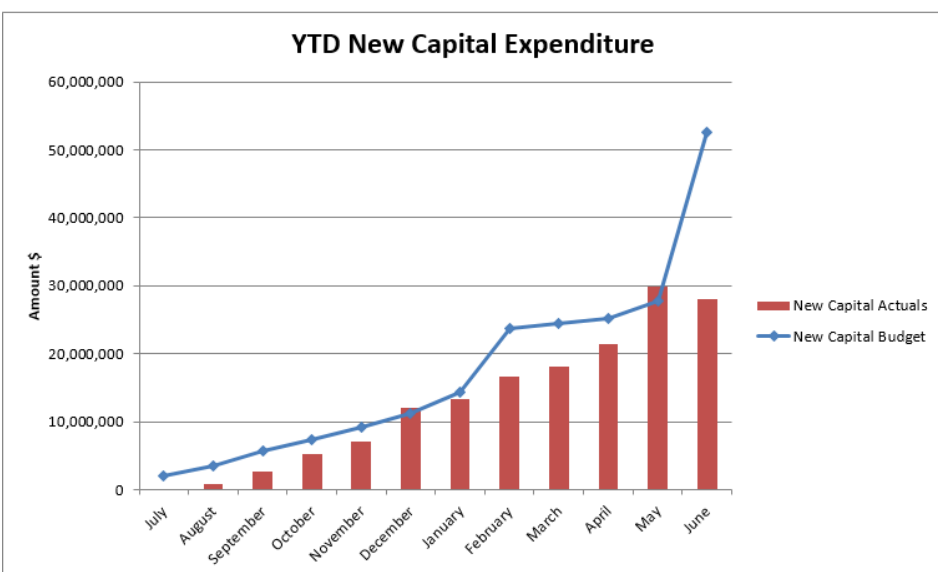
Status: ●

Comments:
 Operating revenue recorded as at 30 June is \$71,513,217. For comments on Operating Revenue please see attached notes.



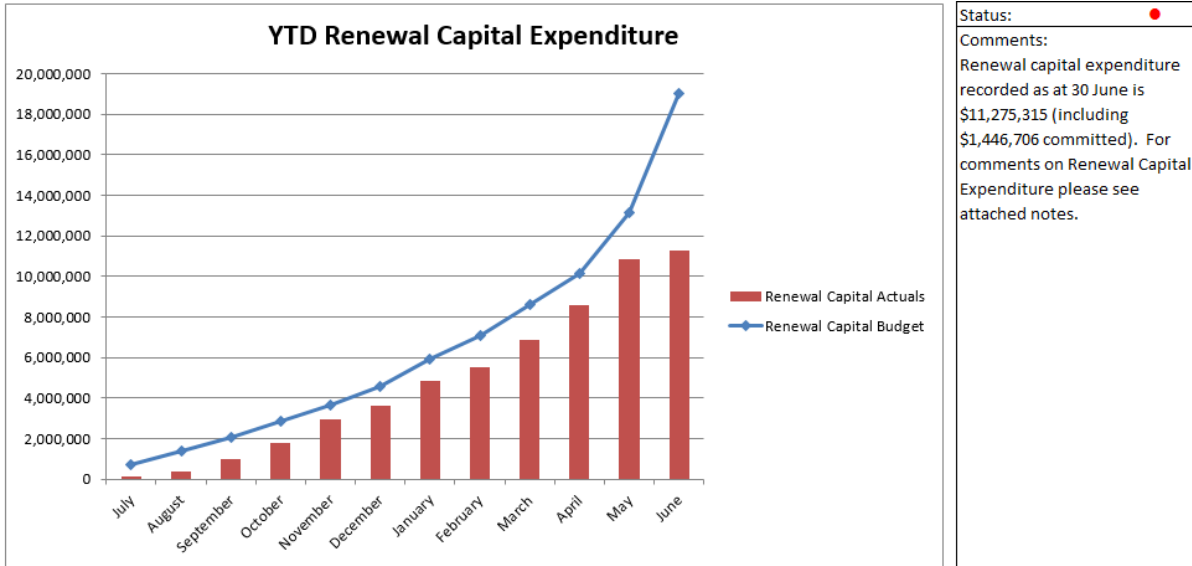
Status: ●

Comments:
 Operating expenditure recorded as at 30 June is \$80,781,622 including major commitments of \$1,662,718. For comments on Operating Expenditure please see attached notes.

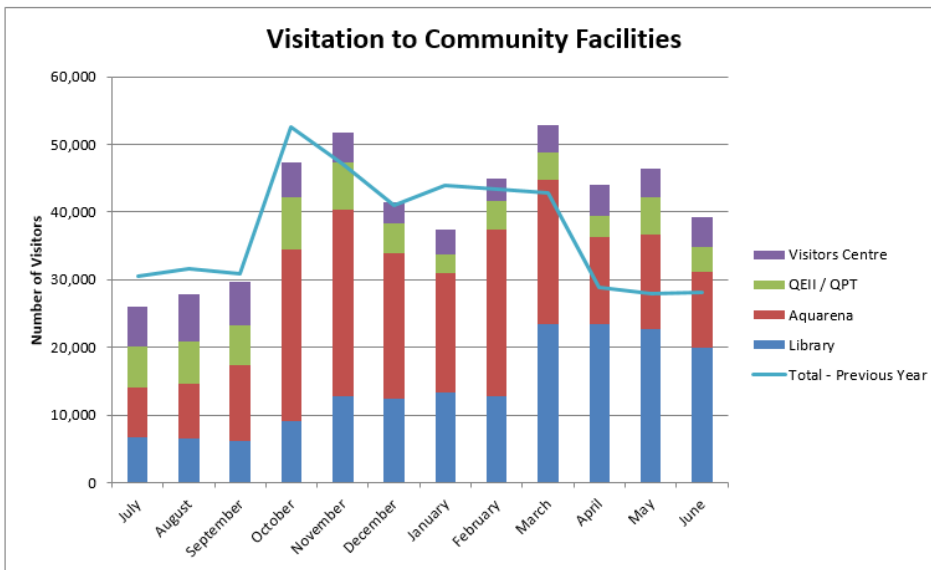


Status: ●

Comments:
 New capital expenditure recorded as at 30 June is \$27,968,317 (including \$691,499 committed). For comments on New Capital Expenditure please see attached notes.

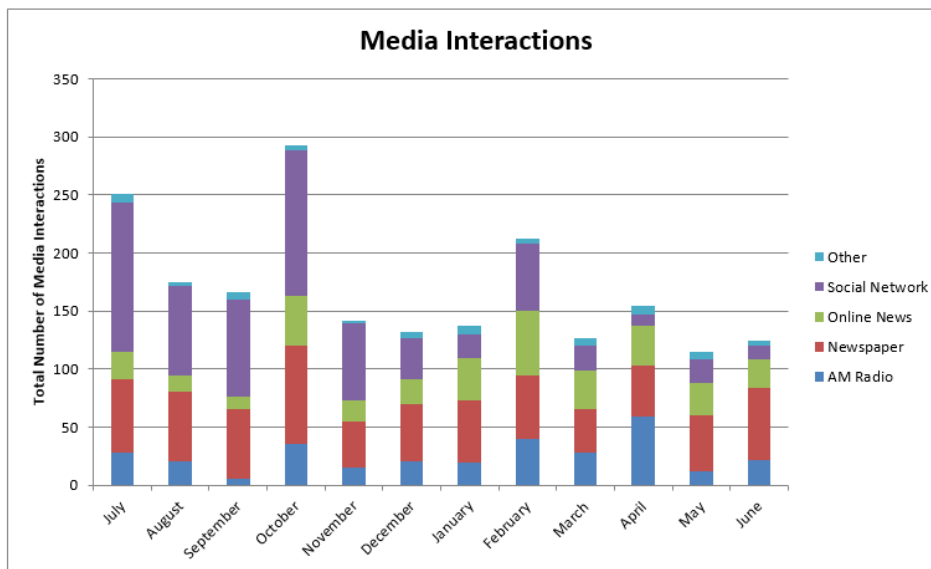


SOCIAL KEY PERFORMANCE INDICATORS



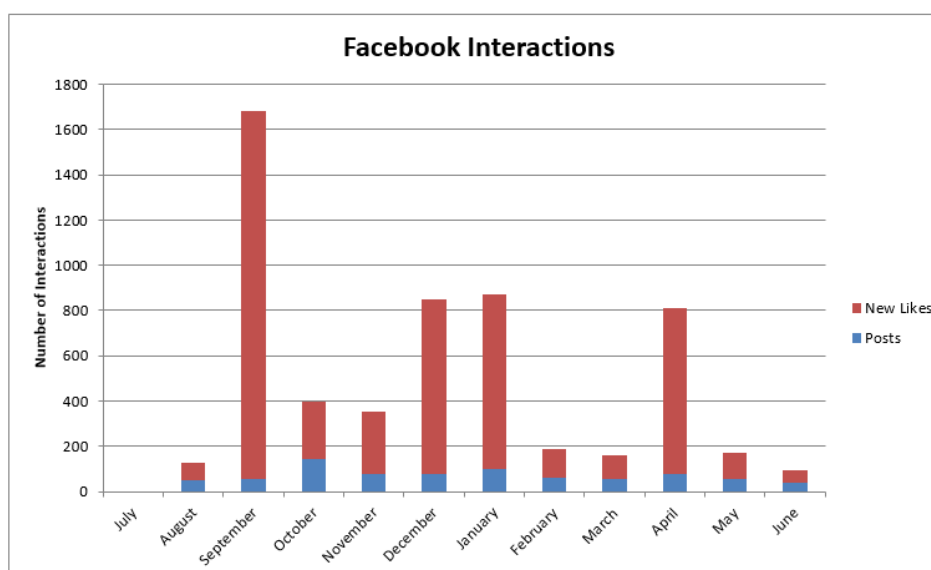
Status: ●

Comments:
QEII attendance dropped back to normal levels after an increase in May.



Status: ●

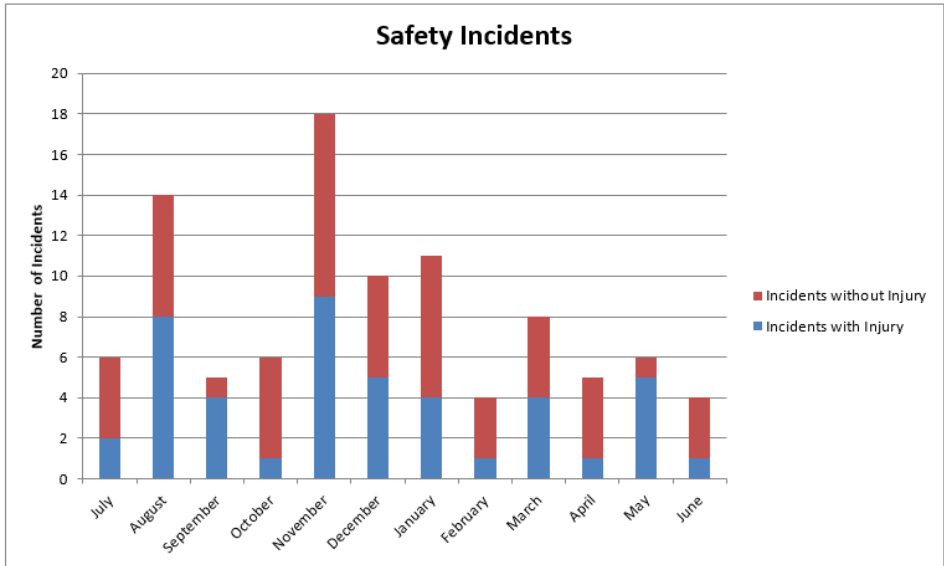
Comments:
Slight increases in AM radio and newspaper interactions due to the budget being discussed.



Status: ●

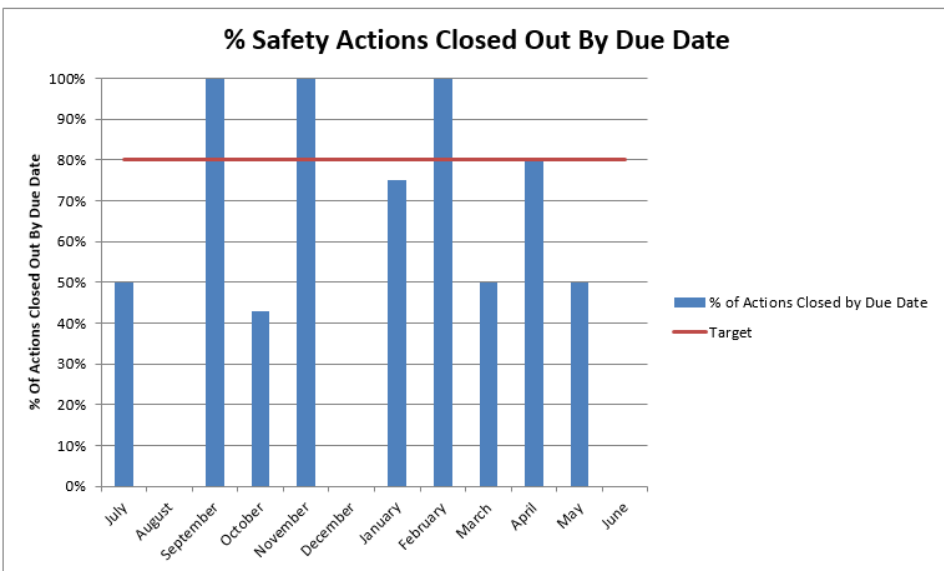
Comments:
City Of Greater Geraldton's Facebook page for June resulted in 38 new posts and 56 new likes.

GOVERNANCE KEY PERFORMANCE INDICATORS



Status: ●

Comments:
There was one incident with injury and three incidents without injury in June.



Status: ●

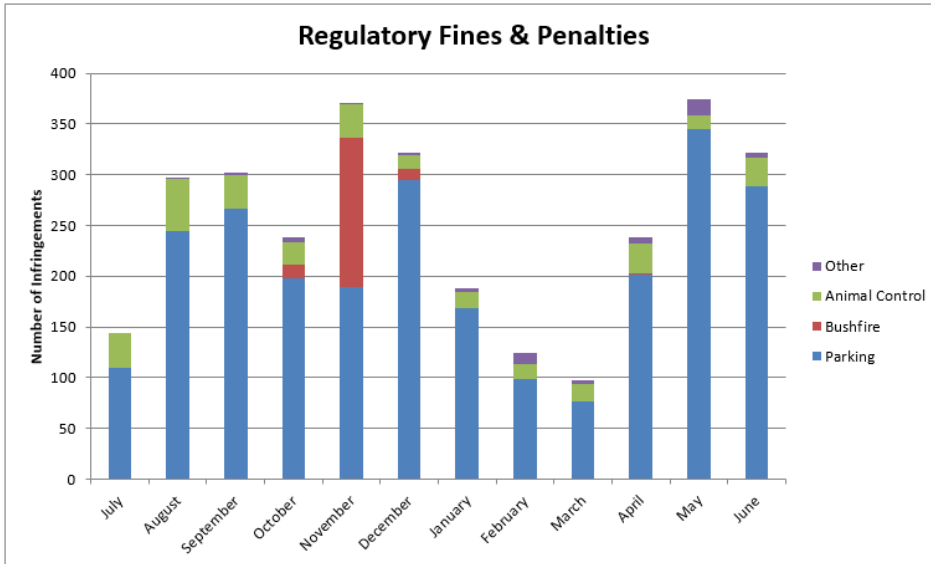
Comments:
Zero actions were closed in June with zero actions overdue.



Status: ●

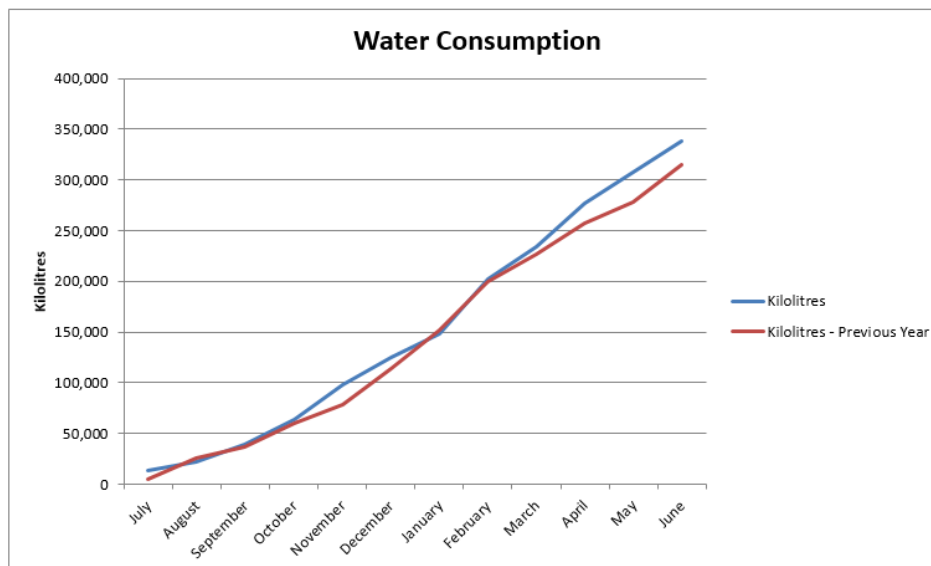
Comments:
Four inspections were scheduled in June and four were completed.

ENVIRONMENTAL KEY PERFORMANCE INDICATORS



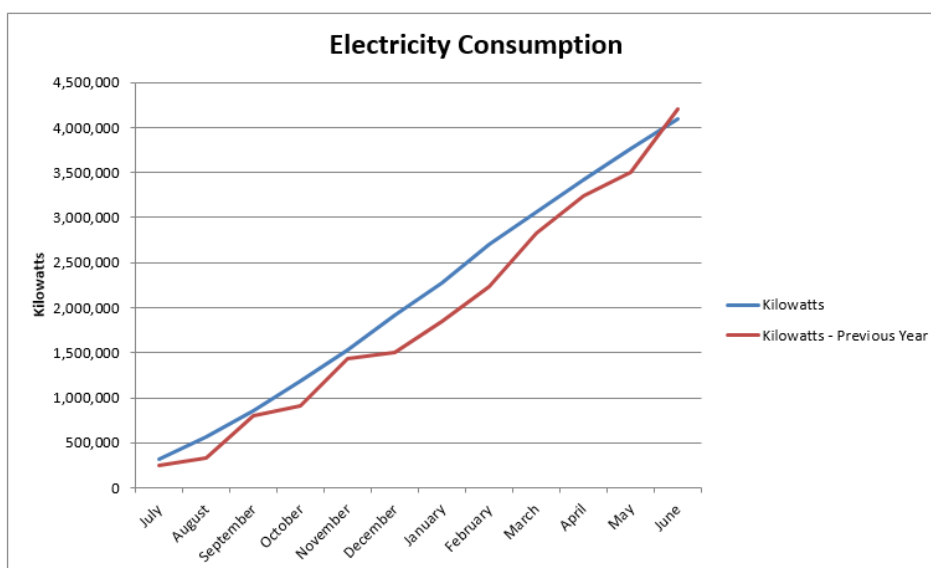
Status: ●

Comments:



Status: ●

Comments:
15/16 full year water consumption is 338,073 KL while 14/15 was 315,369 KL.



Status: ●

Comments:
15/16 full year Electricity consumption of 4,098,178 kilowatts and 4,210,256 kilowatts for 14/15.

CITY OF GREATER GERALDTON

STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 30TH JUNE, 2016

	Budget	YTD Budget	YTD Actual	YTD Major	Variances (commtments incl)	
	Mid Year Review	Estimated		Commitments	\$	%
Operating Income						
Rates	41,275,124	41,275,124	41,290,743		-15,619	0.0%
Operating Grants & Subsidies	8,474,159	8,474,159	6,294,415		2,179,744	25.7%
Contributions Reimbursements & Donations	950,271	950,271	1,376,116		-425,845	-44.8%
Fees & Charges	19,467,694	19,467,694	19,800,421		-332,728	-1.7%
Interest Earnings	1,443,935	1,443,935	1,414,378		29,557	2.0%
Other	1,853,908	1,853,908	1,300,052		553,856	29.9%
Profit On Disposal Of Assets	218,026	218,026	37,092		180,934	83.0%
	73,683,117	73,683,117	71,513,217		2,169,899	2.9%
Operating Expenditure						
Employee Costs	-28,159,964	-28,159,964	-27,352,647		-807,317	2.9%
Materials & Contractors	-22,033,757	-22,033,757	-21,831,194	-1,662,718	1,460,155	-6.6%
Utility & Govt Charges	-3,212,965	-3,212,965	-2,852,155		-360,810	11.2%
Insurance	-878,695	-878,695	-778,377		-100,318	11.4%
Interest/Borrowing Costs	-1,109,443	-1,109,443	-1,015,764		-93,679	8.4%
Other Expenditure	-3,000,385	-3,000,385	-2,500,779		-499,606	16.7%
Depreciation On Assets	-22,473,813	-22,473,813	-22,538,196		64,383	-0.3%
Loss On Disposal Of Assets	-234,511	-234,511	-249,791		15,280	-6.5%
	-81,103,533	-81,103,533	-79,118,904	-1,662,718	-321,911	0.4%
NET OPERATING	-7,420,416	-7,420,416	-7,605,687	-1,662,718	1,847,988	-24.9%
Non-Cash Expenditure and Revenue						
(Profit) / Loss on Asset Disposals	16,485	16,485	212,699		-196,214	-1190.3%
Depreciation on Assets	22,473,813	22,473,813	22,538,196		-64,383	-0.3%
Movement in Non-current staff leave provisions	97,167	97,167			97,167	100.0%
	22,587,465	22,587,465	22,750,895		-260,597	-1.2%
Capital Expenditure						
Purchase Land	-840,247	-840,247	-843,765		3,518	-0.4%
Purchase Buildings	-13,295,548	-13,295,548	-12,570,590	-392,708	-332,249	2.5%
Purchase Plant and Equipment	-2,422,000	-2,422,000	-1,984,847	-346,943	-90,210	3.7%
Purchase Furniture and Equipment	-266,384	-266,384	-281,064		14,680	-5.5%
Purchase Infrastructure Assets - Roads	-30,697,737	-30,697,737	-11,319,468	-1,017,721	-18,360,548	59.8%
Purchase Infrastructure Assets - Parks	-17,210,741	-17,210,741	-3,343,008	-263,869	-13,603,864	79.0%
Purchase Infrastructure Assets - Airport	-1,963,000	-1,963,000	-930,198	-75,529	-957,274	48.8%
Purchase Infrastructure Assets - Meru	-458,000	-458,000	-252,216	-41,435	-164,349	35.9%
Purchase Infrastructure Assets - Other	-4,374,144	-4,374,144	-2,545,809		-1,828,335	41.8%
Repayment of Debentures	-3,032,231	-3,032,231	-3,034,463		2,232	-0.1%
	-74,560,032	-74,560,032	-37,105,427	-2,138,205	-35,316,400	47.4%
Capital Revenue						
Non Operating Grants & Subsidies	19,974,518	19,974,518	11,048,118		8,926,400	44.7%
Proceeds from Disposal of Assets	1,932,944	1,932,944	1,027,772		905,172	46.8%
Proceeds from New Debentures	24,906,000	24,906,000	8,806,000		16,100,000	64.6%
Self-Supporting Loan Principal Income	81,748	81,748	81,748		-0	0.0%
Council Loan Principle Income	37,629	37,629	37,629		-0	0.0%
	46,932,839	46,932,839	21,001,267		25,931,572	55.3%
Reserves						
Transfers to Reserves	0	0	0		0	
Transfers from Reserves	9,750,620	9,750,620	5,000,000		4,750,620	48.7%
	9,750,620	9,750,620	5,000,000		4,750,620	48.7%
Current Funding Surplus (Deficit)	-2,709,524	-2,709,524	4,041,048	-3,800,923	2,949,649	

MAJOR VARIANCES

Note

The Statement of Financial Activity as at 30th June 2016 does not represent the final end of year position. CGG final EOY financial position will not be known until final “close-off” of accounts and completion of audited Financial Statements.

Operating Income

Operating Grants & Subsidies – Indicates a \$2.18m drop in this revenue stream however the budget was based on the continuation of part prepayment of Financial Assistance Grants for upcoming financial year (2016-17). Council as a contingency in relation to discontinuation of this prepayment and to allow for any change to timing of these payments quarantined \$2.9m into Reserves in 2015-16 and as part of the EOY process will recognise these funds via a “Transfer from Reserves” (Capital Revenue).

Contribution Reimbursements & Donations – Indicates actuals exceeding budgeted by \$425,845. \$300,000 represents reimbursements received as part of the final administration for Regional Capitals Australia which has a corresponding offset under operating expenditure.

Fees & Charges – Actuals exceeded budget at this time by \$332,728 due mainly to increase revenue generated from Landfill activities.

Other Revenue – Under budget mainly due to awaiting approval from Department of Planning to move Public Open Space funds from Trust to Municipal Account as part of the financial strategy to fund Parks Play Equipment Upgrade.

Operating Expenditure

Employee Costs – Under budget at this time by \$807,317 but EOY adjustments for worker’s comp, accruals of salaries and wages and employee provisions will reduce this current savings.

Materials & Contractors – It is expected that actual EOY figure will considerably exceed the budget figure for this type of expenditure as \$5m of expenditure budgeted under Capital and relating to the Karloo-Wandina Bridge construction has been moved too operating to recognise that portion of the bridge which is not a CGG asset but a Main Roads WA asset.

Utilities & Government Charges – Current actuals \$360,810 under EOY budget estimate. Until “close-off” of creditors and final payments of accounts relating to 2015-16 costs, the final figure and any potential savings is still unknown at this time.

Insurance – Currently, savings of \$100,318 has been achieved in 2015-16 due to change in composition of insurance policies.

Other Expenditure - Until “close-off” of creditors and final payments of accounts relating to 2015-16 costs the final figure and any potential savings is still unknown at this time however it is expected that there will be savings in this type of expenditure due to a low drawn down of funds related to Drummond Cove Tenure Payments (\$200K) and Rates Subsidies offered under CBD Revitalisation Project (\$150k).

Capital Expenditure

Overall capital expenditure for 2015-16 will be well under budgeted allocations due mainly to the following:

- \$18m of capital works “rolled over” into 2016-17 in relation to the following projects.
 - Beresford Foreshore
 - Olive St POS Development
 - New Animal Management Facility
 - St George Beach stabilisation works
 - Mullewa Roads flood damage repairs
 - Abraham/Horwood St intersection upgrade.
- As denoted under operating expenditure - \$5m moved from capital in recognition of Main Roads WA component of the Karloo-Wandina Bridge. A further \$6m has been reallocated in the LTFP for future works associated with services infrastructure relating to the housing lots.

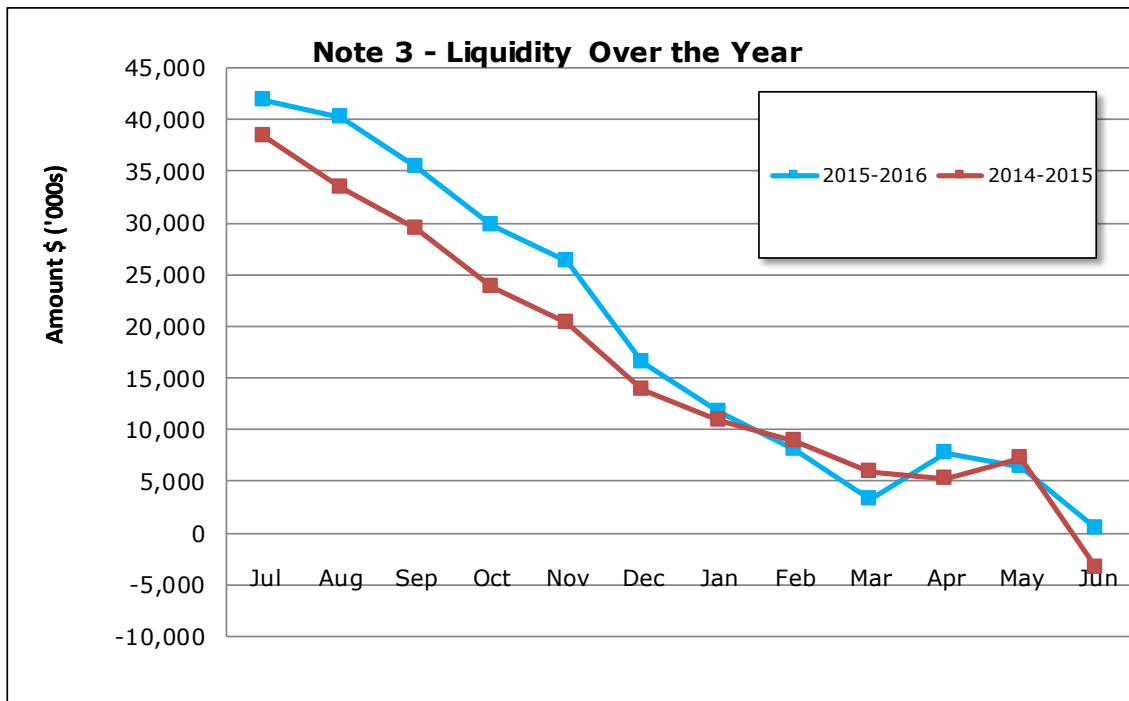
Capital Revenue

Corresponding to reduction and “roll over” of capital works, associated revenue in 2015-16 will be also well below budgeted estimates in relation to grants and debt financing tied to Beresford Foreshore, Olive St POS, New Animal Management Facility, Karloo-Wandina and Mullewa Roads flood damage repairs projects.

Cash Reserves transfers are yet to be finalised and are completed as part of the EOY process.

NET CURRENT FUNDING POSITION

	Positive=Surplus (Negative=Deficit)		
	2015-2016		2014-2015
	This Period	Last Period	This Period
	\$	\$	\$
Current Assets			
Cash at Bank			
Municipal Account	7,583,278	12,795,563	4,516,283
Reserve Account	11,816,900	11,847,519	16,816,900
Restricted Assets	6,852,058	11,069,951	11,735,041
Total Cash at Bank	26,252,237	35,713,033	33,068,224
Receivables			
Prepayments	61,074	54,715	140,127
Tax Recoverable	15,366	410,810	426,065
Sundry Debtors	1,393,012	1,185,906	2,147,402
Rates Receivable	3,378,034	3,528,179	3,107,781
Inventories	436,367	485,208	452,698
Total Current Assets	31,536,090	41,377,851	39,342,298
Less: Current Liabilities			
Creditors and Provisions	3,990,900	2,267,958	2,875,587
Current Borrowings	3,748,422	3,784,517	3,034,459
Employee Entitlements	4,492,078	4,712,048	4,697,198
	12,231,399	10,764,523	10,607,244
Less: Cash Restricted	(18,668,958)	(22,917,470)	(28,551,941)
Net Current Funding Position	635,732	7,695,858	183,113



MONTHLY INVESTMENT REPORT

Deposit Ref	Current Credit Rating	Maturity/ Conversion	Invested Interest rates	Amount Invested	Interest Earned YTD	Current Value @30/06/2016	Percentage of Portfolio
Grange Securities							
NIL				-	-	-	
				Subtotal	-	-	0.0%
Commonwealth							
NIL						-	
				Subtotal	-	-	0.0%
				Total Funds Invested	-	-	0.0%