



CITY OF GREATER GERALDTON

MONTHLY MANAGEMENT REPORT



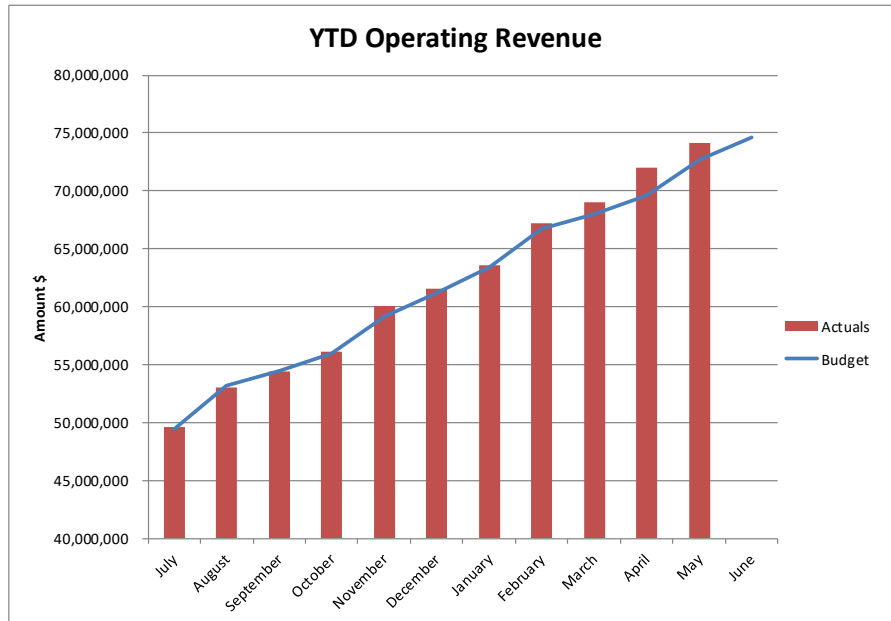
FOR THE PERIOD ENDED 31st MAY 2017

CONTENTS

Table of Contents

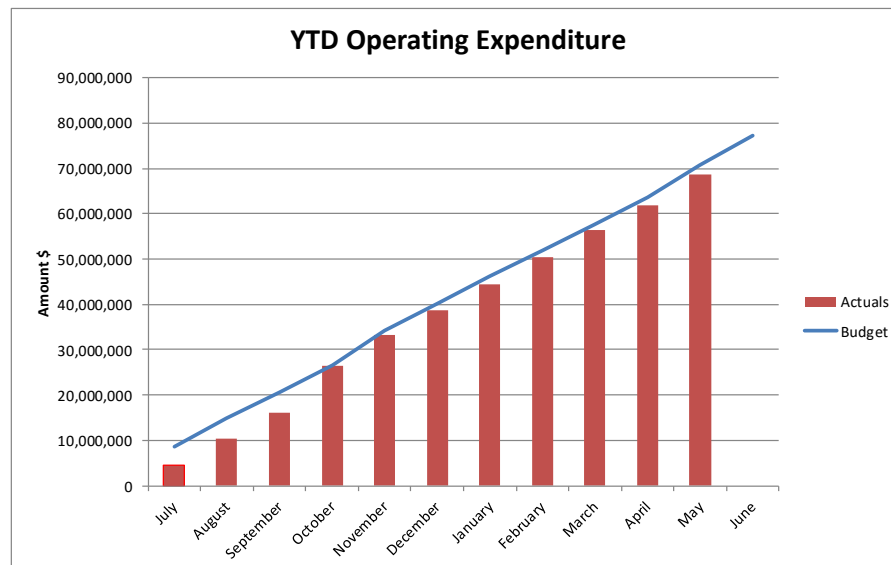
1. ECONOMIC KEY PERFORMANCE INDICATORS	3
2. SOCIAL KEY PERFORMANCE INDICATORS	5
3. GOVERNANCE KEY PERFORMANCE INDICATORS	6
4. ENVIRONMENTAL KEY PERFORMANCE INDICATORS	7
5. STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31 st MAY, 2017	8
6. NET CURRENT FUNDING POSITION.....	10
7. MONTHLY INVESTMENT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

ECONOMIC KEY PERFORMANCE INDICATORS



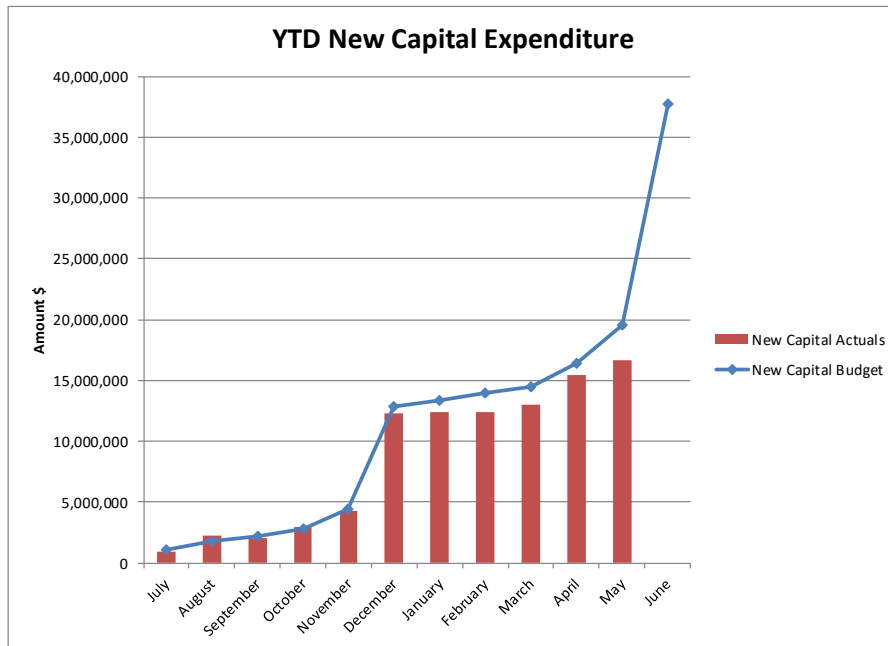
Status: ●

Comments:
 Operating revenue recorded as at 31 May is \$75,169,285. Operating income is showing a positive variance of \$2,510,595.
 Reimbursements is showing a positive variance of \$506,727 due to an increase in recoverable costs, operating grants and contributions.
 Fees and Charges is showing a positive variance of \$402,040. 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 \$393,962. This is due to both upfront payments of grants and reduced cash outflows to date which has allowed the City to invest a greater amount of funds for longer periods.
 Profit on Disposal of Assets shows a positive variance due to unbudgeted profit on land sales.



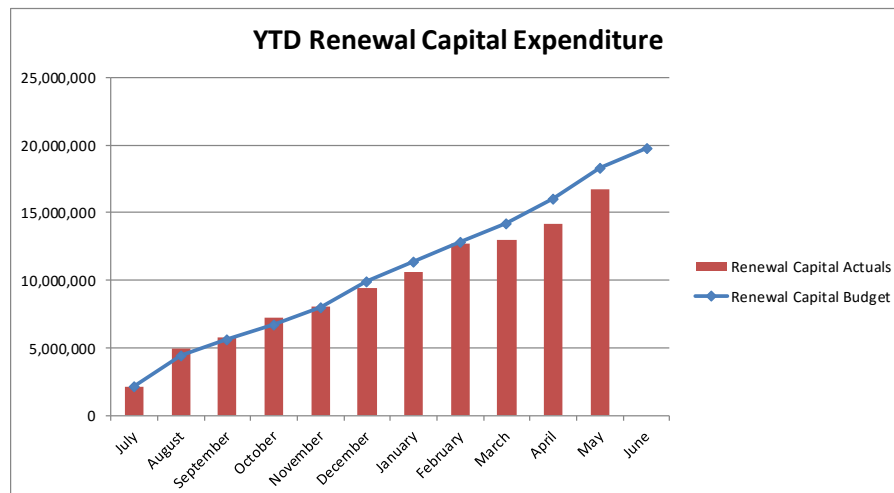
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Comments:
 Operating expenditure recorded as at 31 May is \$67,321,057 including commitments of \$2,546,718.
 Employee Costs has a positive variance of \$667,328 due to a timing lag in filling vacant positions. Utility & Government Charges has a positive variance of \$193,931 due to invoice timing issues and Materials & Contractors has a positive variance of \$751,507, a recognised YTD saving in the cost of sanitation services due to a change in service delivery implemented in 2015-16.



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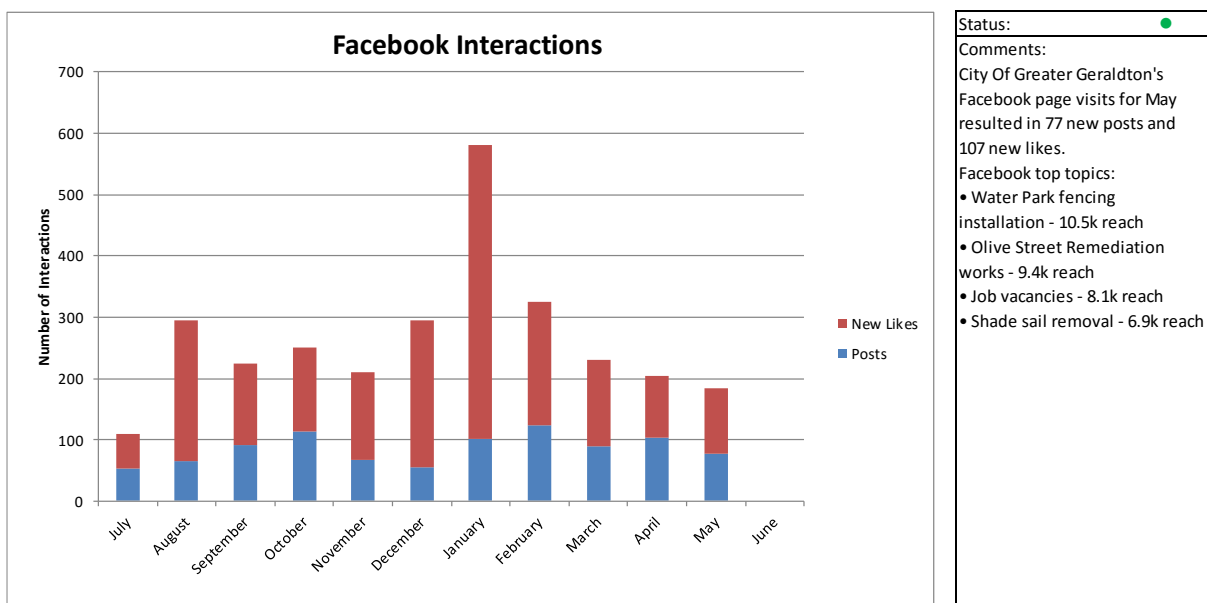
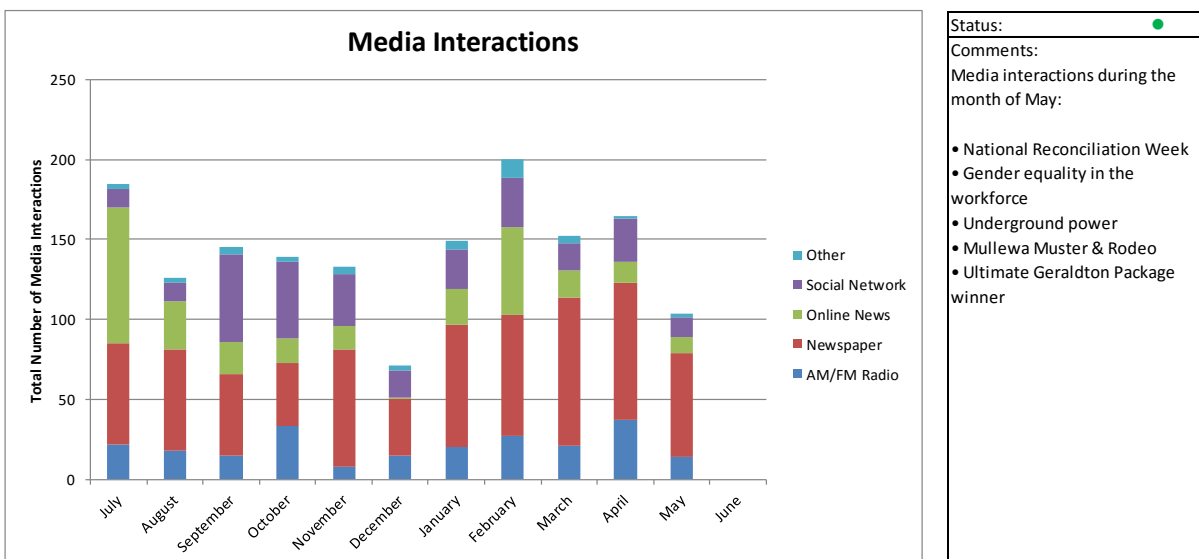
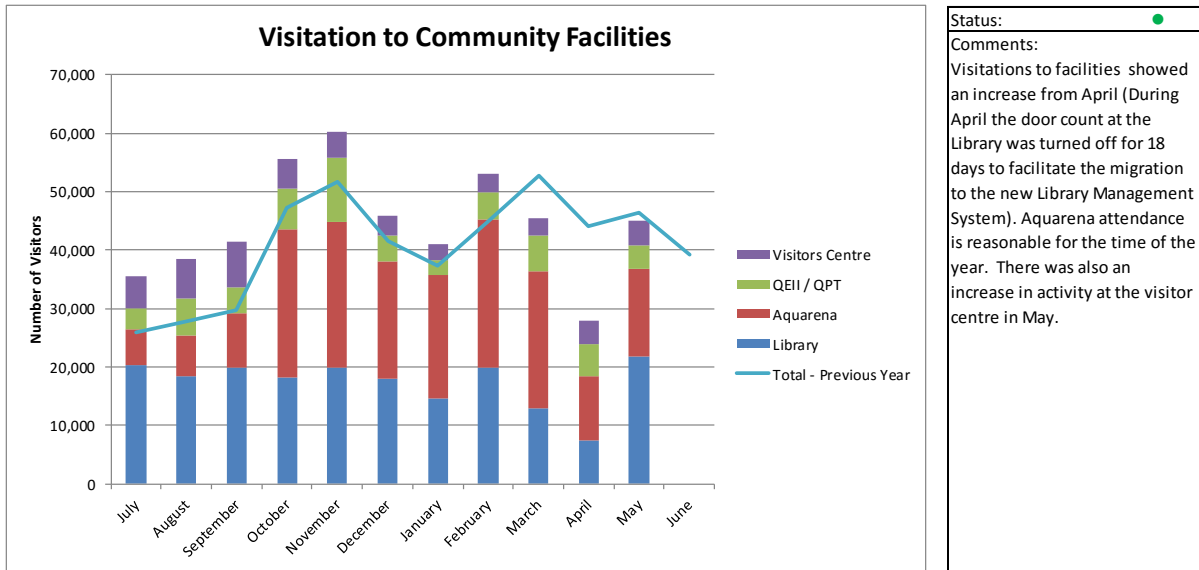
Comments:
 New capital expenditure recorded as at 31 May is \$16,620,082 (including \$10,371,417 committed). Capital expenditure variances are associated with the timing of acquisitions and profiling of cash outflows. The total annual budget of \$37.7M includes \$22.9M for the Beresford Foreshore project of which only \$6M is expected to be spent this year. It is expected that around \$18.5M of budgeted new capital expenditure for Beresford Foreshore and the GAMF will "roll over" into 17/18. The Olive Street project with an annual budget of \$4.5M is well underway but it is expected part of this budgeted expenditure will also "roll over" into 17/18.



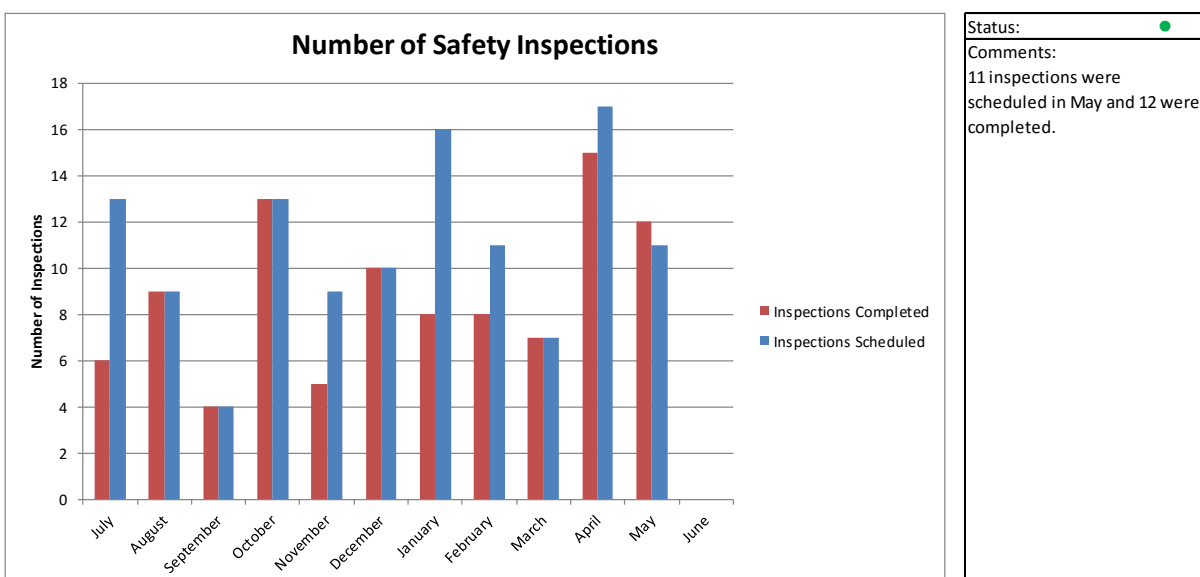
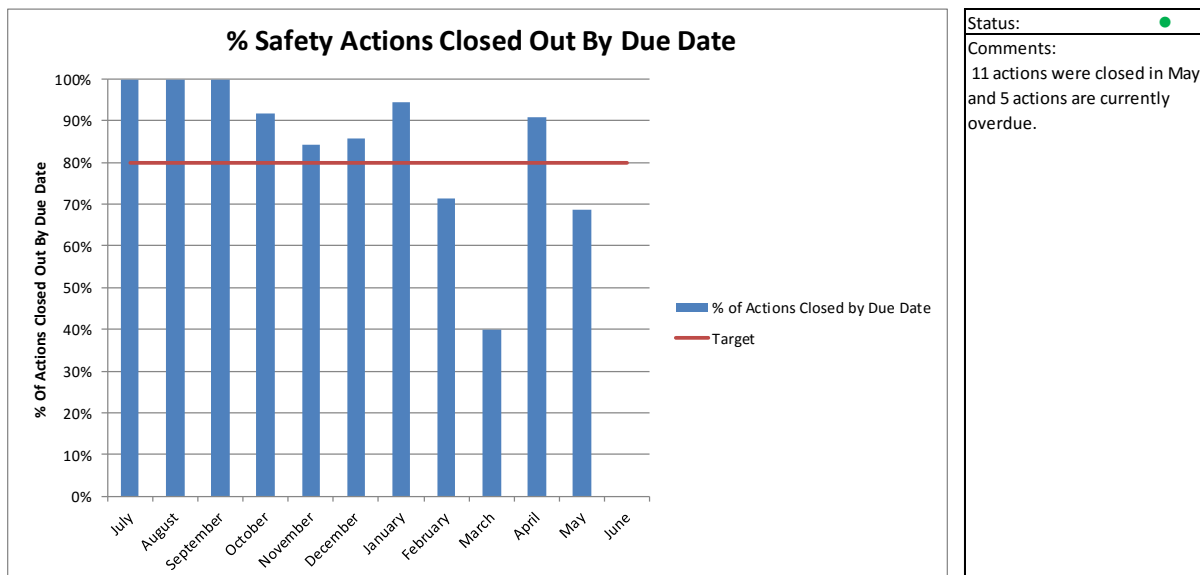
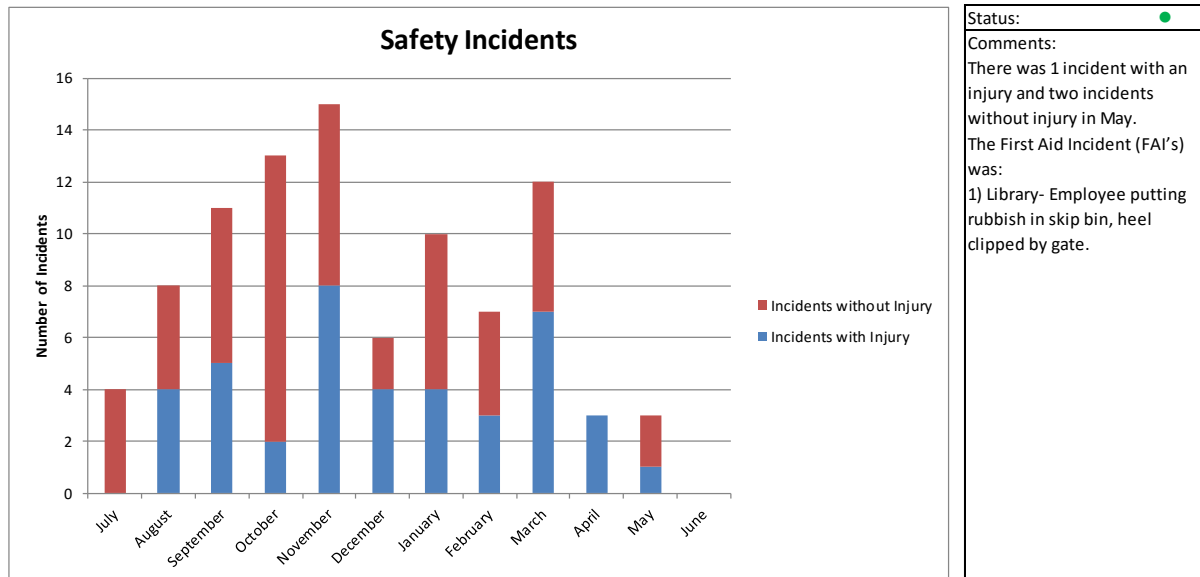
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Comments:
 Renewal capital expenditure recorded as at 31 May is \$16,691,128 (including \$2,317,636 committed). Capital expenditure variances are associated with the timing of acquisitions and profiling of cash outflows. Recent resignations in the Infrastructure Services team has reduced the available resources to deliver the program. However, a large volume of works are currently underway which should see the expenditure figures rise in the final month of the financial year.

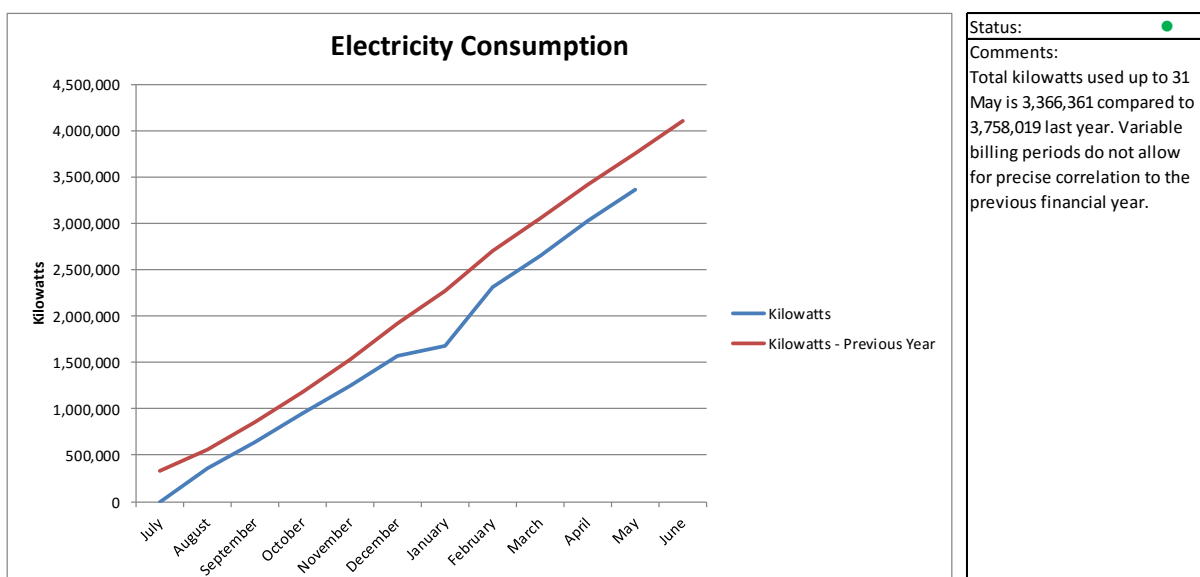
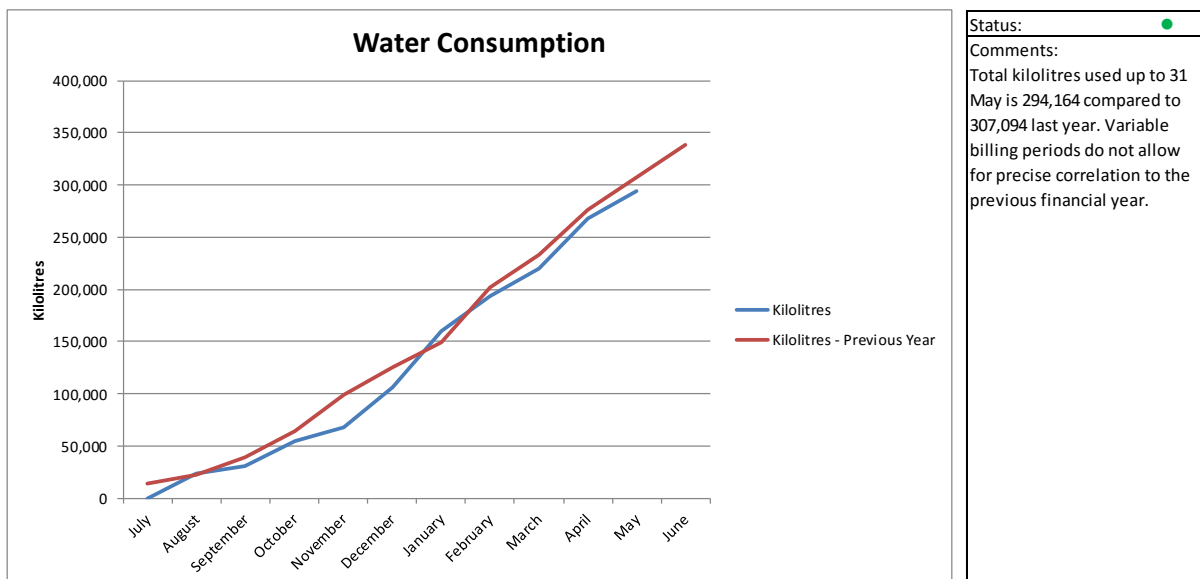
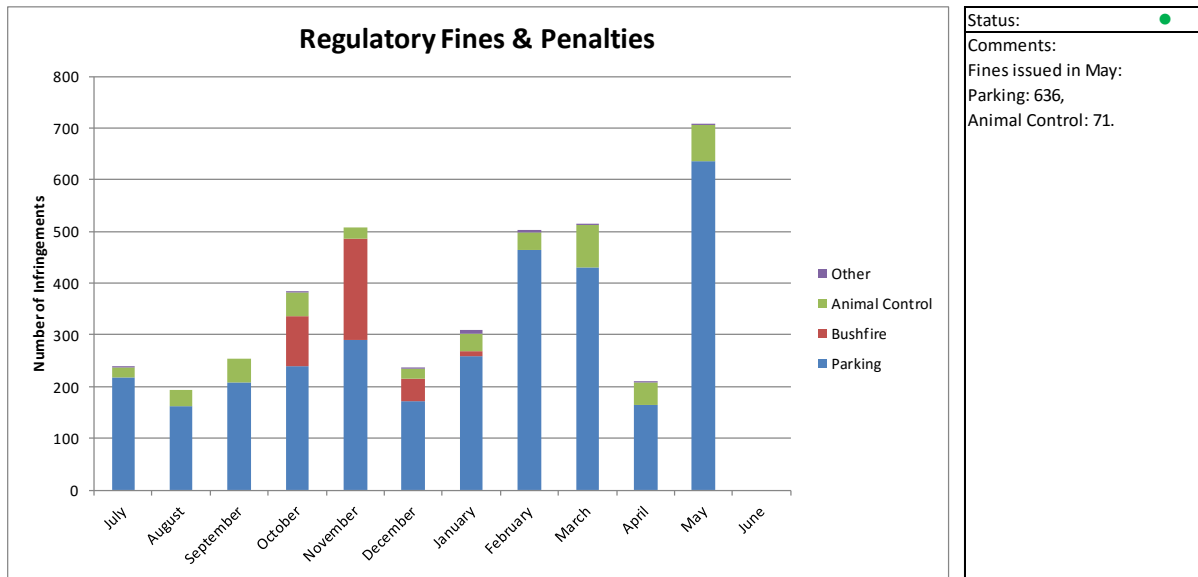
SOCIAL KEY PERFORMANCE INDICATORS



GOVERNANCE KEY PERFORMANCE INDICATORS



ENVIRONMENTAL KEY PERFORMANCE INDICATORS



CITY OF GREATER GERALDTON

STATEMENT OF FINANCIAL ACTIVITY FOR THE PERIOD ENDED 31st MAY, 2017

	Current Budget	Current YTD Budget	YTD Actual	YTD Major Commitments	Variances (committments incl)	
					\$	%
Operating Income						
Rates	43,023,783	43,007,946	42,865,227		142,719	0.3% X
Operating Grants & Subsidies	7,893,241	7,817,351	7,897,618		-80,267	-1.0% X
Contributions Reimbursements & Donations	666,278	666,278	1,173,005		-506,727	-76.1% X
Fees & Charges	20,765,826	19,431,997	19,834,037		-402,040	-2.1% X
Interest Earnings	1,399,558	1,169,154	1,563,116		-393,962	-33.7% X
Other	752,517	463,053	469,582		-6,529	-1.4% ✓
Profit On Disposal Of Assets	122,452	102,911	1,366,700		-1,263,789	-1228.0% X
	74,623,655	72,658,690	75,169,285		-2,510,595	-3.5%
Operating Expenditure						
Employee Costs	-26,738,435	-24,391,727	-23,659,830	-64,569	-667,328	2.7% X
Materials & Contractors	-23,195,361	-21,056,514	-17,826,190	-2,478,817	-751,507	3.6% X
Utility & Govt Charges	-3,368,899	-2,856,778	-2,662,421	-426	-193,931	6.8% X
Insurance	-893,510	-855,548	-752,107		-103,441	12.1% X
Interest/Borrowing Costs	-1,154,733	-827,766	-819,628		-8,138	1.0% ✓
Other Expenditure	-1,288,918	-1,083,119	-1,952,607	-2,906	872,394	-80.5% X
Depreciation On Assets	-20,979,104	-19,230,882	-19,522,166		291,284	-1.5% X
Loss On Disposal Of Assets	-70,338	-64,471	-126,108		61,637	-95.6% X
	-77,689,298	-70,366,805	-67,321,057	-2,546,718	-499,030	0.7%
NET OPERATING	-3,065,643	2,291,885	7,848,228	-2,546,718	-3,009,625	-131.3%
Non-Cash Expenditure and Revenue						
(Profit) / Loss on Asset Disposals	-52,114	-38,440	-1,240,592		1,202,152	-3127.3% X
Depreciation on Assets	20,979,104	19,230,882	19,522,166		-291,284	-1.5% X
Movement in Non-current staff leave provisions	18,160	0	0		0	
	20,945,150	19,192,442	18,281,574		910,868	4.7%
Capital Expenditure						
Purchase Land	-3,150,000	-1,420,000	-1,459,170	0	39,170	-2.8% ✓
Purchase Buildings	-4,306,885	-2,432,268	-1,235,297	-673,793	-523,178	21.5% X
Purchase Plant and Equipment	-2,552,650	-2,154,582	-1,513,282	-118,832	-522,468	24.2% X
Purchase Furniture and Equipment	-799,700	-732,838	-596,840	-40,810	-95,188	13.0% X
Purchase Infrastructure Assets - Roads	-12,395,334	-11,425,928	-10,170,780	-1,175,468	-79,680	0.7% X
Purchase Infrastructure Assets - Parks	-29,727,047	-13,858,762	-2,741,007	-10,128,193	-989,562	7.1% X
Purchase Infrastructure Assets - Airport	-664,245	-604,657	-371,785	-319,269	86,397	-14.3% X
Purchase Infrastructure Assets - Meru	-735,935	-735,520	-711,027	-10,400	-14,093	1.9% ✓
Purchase Infrastructure Assets - Other	-3,115,407	-2,462,401	-1,822,969	-222,288	-417,144	16.9% X
Repayment of Debentures	-3,749,553	-3,211,700	-3,212,107	0	407	0.0% ✓
	-61,196,756	-39,038,656	-23,834,264	-12,689,053	-2,515,339	6.4%
Capital Revenue						
Non Operating Grants & Subsidies	29,097,177	14,558,777	14,517,789		40,988	0.3% ✓
Proceeds from Disposal of Assets	3,773,400	3,172,536	3,159,626		12,910	0.4% ✓
Proceeds from New Debentures	7,600,000	3,700,000	3,700,000		0	0.0%
Self-Supporting Loan Principal Income	86,625	78,487	75,280		3,207	4.1% ✓
Council Loan Principle Income	0	0	0		0	
	40,557,202	21,509,800	21,452,695		57,105	0.3%
Reserves						
Transfers to Reserves	0	0	0		0	
Transfers from Reserves	5,147,509	0	0		0	
	5,147,509	0	0		0	✓
Current Funding Surplus (Deficit)	2,387,462					

MAJOR VARIANCES

Operating Income

Operating revenue recorded as at 31 May is \$75,169,285. Operating income is showing a positive variance of \$2,510,595. Reimbursements is showing a positive variance of \$506,727 due to an increase in recoverable costs, operating grants and contributions. Fees and Charges is showing a positive variance of \$402,040. 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 \$393,962. This is due to both upfront payments of grants and reduced cash outflows to date which has allowed the City to invest a greater amount of funds for longer periods. Profit on Disposal of Assets shows a positive variance due to unbudgeted profit on land sales.

Operating Expenditure

Operating expenditure recorded as at 31 May is \$67,321,057 including commitments of \$2,546,718. Employee Costs has a positive variance of \$667,328 due to a timing lag in filling vacant positions. Utility & Government Charges has a positive variance of \$193,931 due to invoice timing issues and Materials & Contractors has a positive variance of \$751,507 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 \$2,515,339. Capital expenditure variances are associated with the timing of acquisitions (e.g. Construction of Derna Park Public Toilets), and profiling of cash outflows (e.g. Beresford Foreshore Project).

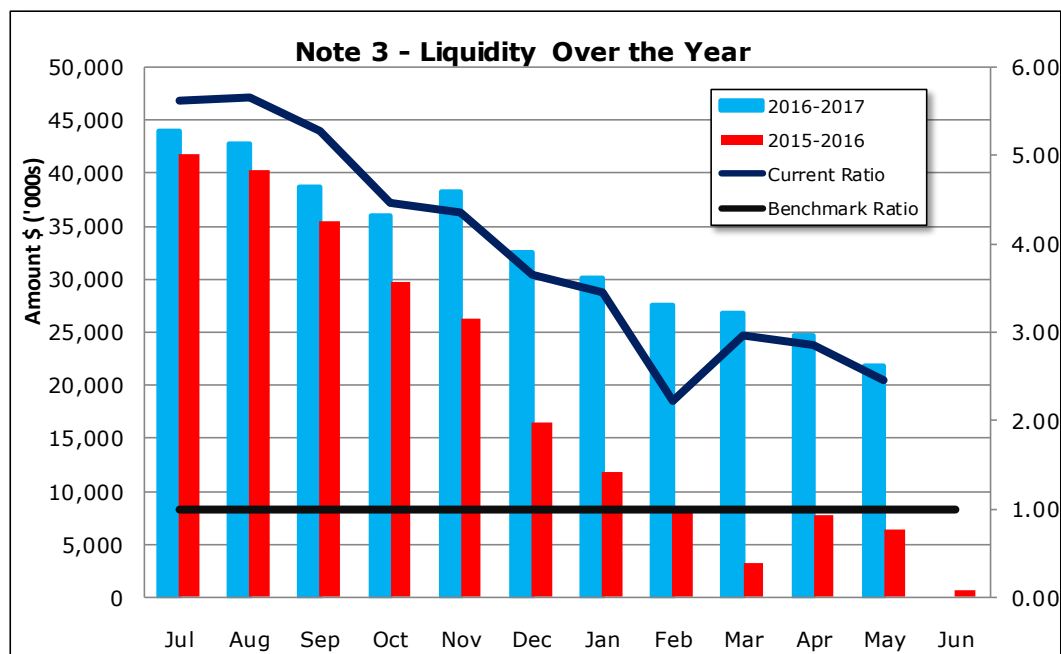
Major Capital commitments end of May \$ 12,689,053.

NET CURRENT FUNDING POSITION

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

Note 3: NET CURRENT FUNDING POSITION

	Positive=Surplus (Negative=Deficit)		
	2016-2017		2015-2016
	This Period	Last Period	This Period
	\$	\$	\$
Current Assets			
Cash at Bank			
Municipal Account	26,561,573	27,831,088	12,795,563
Reserve Account	10,537,870	10,469,759	11,847,519
Restricted Assets	8,970,443	8,959,765	11,069,951
Total Cash at Bank	46,069,886	47,260,612	35,713,033
Receivables			
Prepayments	151,000	129,903	54,715
Tax Recoverable	381,123	17,865	410,810
Sundry Debtors	1,098,832	1,224,558	1,185,906
Rates Receivable	4,007,643	4,396,698	3,528,179
Inventories	569,246	668,369	485,208
Total Current Assets	52,277,729	53,698,004	41,377,851
Less: Current Liabilities			
Creditors and Provisions	2,338,663	1,332,662	2,267,958
Current Borrowings	3,796,869	3,678,907	3,784,517
Employee Entitlements	4,509,243	4,504,970	4,712,048
	10,644,775	9,516,539	10,764,523
Less: Cash Restricted	(19,508,313)	(19,429,524)	(24,217,470)
Net Current Funding Position	22,124,642	24,751,941	6,395,858

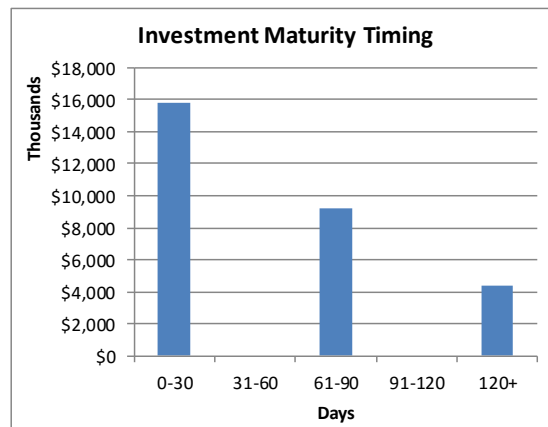
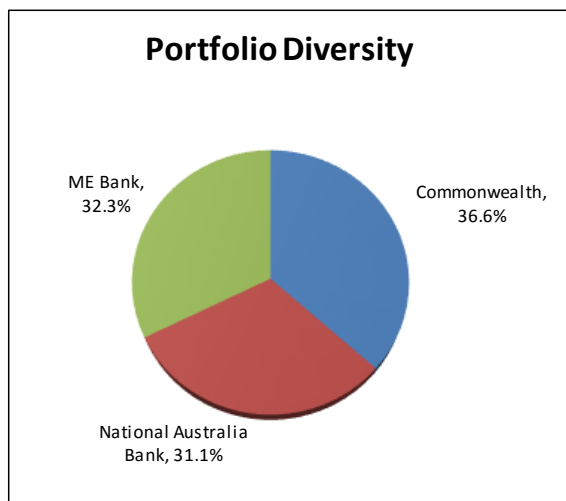


MONTHLY INVESTMENT REPORT

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

Note 4 - Monthly Investment Report

Deposit Ref	Current Credit Rating	Maturity/ Conversion	Invested Interest rates	Amount Invested	Interest Earned YTD	Current Value @31/05/2017	Percentage of Portfolio
Commonwealth							
Municipal 265	A1+	30/6/2017	2.25%	5,052,772	8,969	5,061,741	
Reserve 191	A1+	8/6/2017	1.99%	2,000,000		2,000,000	
Municipal 266	A1+	19/6/2017	1.92%	3,700,000		3,700,000	
Subtotal				10,752,772	8,969	10,761,741	36.6%
National Australia Bank							
Reserve 189	A1+	7/8/2017	2.52%	4,000,000	122,140	4,122,140	
Municipal 262	A1+	23/6/2017	2.63%	5,000,000	32,785	5,032,785	
Subtotal				9,000,000	154,925	9,154,925	31.1%
ME Bank							
Reserve 190	A2	6/11/2017	2.70%	4,327,730	88,000	4,415,730	
Municipal 259	A2	21/8/2017	2.57%	5,000,000	66,425	5,066,425	
Subtotal				9,327,730	154,424	9,482,154	32.3%
Total Funds Invested				29,080,502	318,318	29,398,820	100.0%



Graph Data - Portfolio Diversity		
Commonwealth		36.6%
National Australia Bank		31.1%
ME Bank		32.3%
		100.0%