

SHIRE OF DENMARK

DETAILED STATEMENT OF BUDGET REVIEW

For the Period Ended 31 January 2020

Line	Program	GL Code	Description	Responsible Manager	Classification	Original Budget	Proposed Amended Budget	Increase / (Decrease)	Increase in available Cash	Decrease in available Cash	Non-Cash Item	Reviewed Budget Running Balance	Comment
			Current Adopted Surplus Position - Y/E 30/6/2020			\$ -						\$ -	
1			Actual Opening Surplus B/Fwd. 1/7/2019			\$ 850,243	\$ 829,665	-\$ 20,578		-\$ 20,578		-\$ 20,578	Confirmed Surplus after year end adjustments and audit
2	General Purpose Funding	1318043	Rates Legal Fees Income	EM Corp	Operating Income	\$ 5,000	\$ 18,000	\$ 13,000	\$ 13,000			-\$ 7,578	Recoverable costs from rates collection action higher than budget (offset by cost of collection)
3	General Purpose Funding	1318143	Rates Administration Charges	EM Corp	Operating Income	\$ 43,000	\$ 55,000	\$ 12,000	\$ 12,000			\$ 4,422	Additional revenue to budget for property owners taking up instalment payment plan option
4	General Purpose Funding	1327033	Grants Commission Grant	EM Corp	Operating Income	\$ 293,807	\$ 275,769	-\$ 18,038		-\$ 18,038		-\$ 13,616	Adjustment to 2019/2020 final grant allocation confirmation
5	General Purpose Funding	1327103	Grants Commission Grant-R/Work	EM Corp	Operating Income	\$ 276,653	\$ 220,643	-\$ 56,010		-\$ 56,010		-\$ 69,626	Adjustment to 2019/2020 final grant allocation confirmation
7	General Purpose Funding	1318033	Rates Written-off	EM Corp	Operating Expenditure	-\$ 300	-\$ 3,300	-\$ 3,000		-\$ 3,000		-\$ 72,626	Additional Expense provision provided for Rates Write-Off previously endorsed by Council
8	General Purpose Funding	1318042	Rate Collection Fees	EM Corp	Operating Expenditure	-\$ 5,000	-\$ 25,000	-\$ 20,000		-\$ 20,000		-\$ 92,626	Additional costs associated with the collection of overdue rates (partial recoverable - refer above)
9	General Purpose Funding	1331003	Interest on Investments	EM Corp	Operating Income	\$ 115,000	\$ 95,000	-\$ 20,000		-\$ 20,000		-\$ 112,626	Adjustment to reduce revenue yield estimate due to lower interest rates
10	Governance	1420122	Office Equipment Maintenance - Admin	EM Corp	Operating Expenditure	-\$ 23,000	-\$ 20,000	\$ 3,000	\$ 3,000			-\$ 109,626	Office refurbishment costs lower than anticipated
11	Governance	1420132	Computer Equipment Maintenance - Admin	EM Corp	Operating Expenditure	-\$ 95,000	-\$ 110,000	-\$ 15,000		-\$ 15,000		-\$ 124,626	Additional investment expense to upgrade IT Resources required for improved efficiencies
12	Governance	1420192	Vehicle Expenses - Admin	EM Corp	Operating Expenditure	-\$ 36,350	-\$ 40,850	-\$ 4,500		-\$ 4,500		-\$ 129,126	Costs for leasing of additional vehicle to the administration fleet
13	Governance	1420292	Leased Property Expenses	EM Corp	Operating Expenditure	-\$ 5,000	-\$ 1,000	\$ 4,000	\$ 4,000			-\$ 125,126	No significant expenses related to leases expected this year
14	Governance	1420302	Corporate Services Projects	EM Corp	Operating Expenditure	-\$ 30,000	-\$ 25,000	\$ 5,000	\$ 5,000			-\$ 120,126	Savings expected on consulting projects included in original budget
15	Governance	1420812	Conference Expenses - Admin	EM Corp	Operating Expenditure	-\$ 15,000	-\$ 12,500	\$ 2,500	\$ 2,500			-\$ 117,626	Reduction to expenditure estimate based on YTD call on funds
16	Governance	1420942	Administration House Maintenance Costs	DASD	Operating Expenditure	-\$ 21,647	-\$ 13,647	\$ 8,000	\$ 8,000			-\$ 109,626	Reduction to expenditure estimate due to current staff structure and facility use
17	Governance	1427203	Reimbursement - Other	EM Corp	Operating Income	\$ 3,000	\$ 8,000	\$ 5,000	\$ 5,000			-\$ 104,626	Revised year end projection based on YTD trend
18	Governance	1427613	LGIS Insurance Rebate	EM Corp	Operating Income	\$ 10,000	\$ 15,600	\$ 5,600	\$ 5,600			-\$ 99,026	Insurance Scheme rebate and member distribution higher than budgeted
19	Governance	1427703	Sale of Misc Items	EM Corp	Operating Income	\$ 300	\$ 4,800	\$ 4,500	\$ 4,500			-\$ 94,526	Revised year end projection based on YTD trend
20	Law, Order & Public Safety	1510502	Depreciation - Fire	EM Corp	Operating Expenditure	-\$ 649,153	-\$ 787,153	-\$ 138,000			-\$ 138,000	-\$ 94,526	Revised Non-Cash Depreciation estimate due to new fire trucks attracting higher depreciation
21	Law, Order & Public Safety	1510702	Strategic Fire Management	EM Comm	Operating Expenditure	\$ -	-\$ 35,000	-\$ 35,000		-\$ 35,000		-\$ 129,526	Strategic Fire Break provision omitted from original budget due to overlap with M.A.F.
22	Law, Order & Public Safety	1510702	Fire Prevention - Mitigation Activities Fund	EM Comm	Operating Expenditure	-\$ 300,000	-\$ 335,000	-\$ 35,000		-\$ 35,000		-\$ 164,526	Increase in expense provision - offset by confirmed increase in MAF Grant Funding allocation
23	Law, Order & Public Safety	1517193	Grant - Bushfire Risk & Fire Mitigation Program	EM Comm	Operating Income	\$ 457,500	\$ 492,500	\$ 35,000	\$ 35,000			-\$ 129,526	Increase in MAF Grant Funding allocation
24	Law, Order & Public Safety	1540352	ESL - Insurance Brigades	EM Comm	Operating Expenditure	-\$ 66,000	-\$ 59,000	\$ 7,000	\$ 7,000			-\$ 122,526	Savings to budget on insurance premium
25	Law, Order & Public Safety	1540492	ESL - Loss on Sale of Assets	EM Corp	Operating Expenditure	\$ -	-\$ 107,000	-\$ 107,000			-\$ 107,000	-\$ 122,526	Inclusion of Non-Cash Asset Disposal adjustment related to fire truck replacements
26	Education & Welfare	1610852	Building Maintenance - Old Post Office	DASD	Operating Expenditure	-\$ 1,600	-\$ 25,000	-\$ 23,400		-\$ 23,400		-\$ 145,926	Upgrade to Building - fully funded by Men's Shed & Spirit of Play (see below)
27	Education & Welfare	1620123	Contribution - Education & Welfare Facilities Upgrade	DASD	Operating Income	\$ -	\$ 23,400	\$ 23,400	\$ 23,400			-\$ 122,526	Contribution to Building Upgrade from Men's Shed & Spirit of Play (refer above)
28	Education & Welfare	1620102	Other Expenses - Youth Services	EM Comm	Operating Expenditure	-\$ 2,400	-\$ 6,400	-\$ 4,000		-\$ 4,000		-\$ 126,526	Proposed increase to budget to allow subscription to 'My Community Directory'
29	Education & Welfare	1627523	Grant - Denmark Youth Festival	EM Comm	Operating Income	\$ 11,000	\$ 6,000	-\$ 5,000		-\$ 5,000		-\$ 131,526	Adjustment to grant income based on funding and expense ratio requirements for the project
30	Education & Welfare	1630013	Disability Services Grants / Contributions	EM Comm	Operating Income	\$ -	\$ 8,500	\$ 8,500	\$ 8,500			-\$ 123,026	Grant Income not budgeted - Lighthouse Project \$7,500, Dept. Of Communities \$1,000
31	Education & Welfare	1630222	Disability Events & Promotion	EM Comm	Operating Expenditure	-\$ 13,000	-\$ 22,000	-\$ 9,000		-\$ 9,000		-\$ 132,026	Additional expense provision relating to acquittal of unbudgeted grants referred to above
32	Health	1737173	Holiday Accommodation	DASD	Operating Income	\$ 16,000	\$ 500	-\$ 15,500		-\$ 15,500		-\$ 147,526	Fee not applicable for 2019/2020 year - adjustment to budget
33	Community Amenities	1023482	Recycling Contract (Cleanaway)	DASD	Operating Expenditure	-\$ 238,765	-\$ 247,324	-\$ 8,559		-\$ 8,559		-\$ 156,085	Anticipated additional cost for recycling contract after confirmation of R&F adjustment eff. 1/7/19
34	Community Amenities	1027283	Domestic Rubbish Fortnightly	EM Corp	Operating Income	\$ 261,277	\$ 277,277	\$ 16,000	\$ 16,000			-\$ 140,085	Revised year end projection based on YTD trend
35	Community Amenities	1027303	Domestic Rubbish Weekly	EM Corp	Operating Income	\$ 559,908	\$ 551,408	-\$ 8,500		-\$ 8,500		-\$ 148,585	Revised year end projection based on YTD trend
36	Community Amenities	1027323	Sanitation Site Fees	DASD	Operating Income	\$ 95,000	\$ 85,000	-\$ 10,000		-\$ 10,000		-\$ 158,585	Revised year end projection based on YTD trend
37	Community Amenities	1027343	Commercial Sanitation Charges (1)	EM Corp	Operating Income	\$ 26,487	\$ 29,987	\$ 3,500	\$ 3,500			-\$ 155,085	Revised year end projection based on YTD trend
38	Community Amenities	1027363	Domestic Recycling Charges	EM Corp	Operating Income	\$ 332,910	\$ 338,910	\$ 6,000	\$ 6,000			-\$ 149,085	Revised year end projection based on YTD trend
39	Community Amenities	1028302	Transport from Waste Management & Refuse Facility	DASD	Operating Expenditure	-\$ 91,421	-\$ 85,421	\$ 6,000	\$ 6,000			-\$ 143,085	Revised year end projection based on YTD trend
40	Community Amenities	1028312	Waste Disposal Fees (City of Albany)	DASD	Operating Expenditure	-\$ 187,500	-\$ 193,500	-\$ 6,000		-\$ 6,000		-\$ 149,085	Revised year end projection based on YTD trend
41	Community Amenities	1040112	Planning Contract Services	DASD	Operating Expenditure	-\$ 5,000	-\$ 25,000	-\$ 20,000		-\$ 20,000		-\$ 169,085	Additional consulting fees provision to assist with current projects including Scheme Review
42	Community Amenities	1051004	Upgrade Buildings - Other Community Amenities	DASD	Capital Expenditure (L&B)	-\$ 67,000	-\$ 37,000	\$ 30,000	\$ 30,000			-\$ 139,085	\$30,000 saving achieved to budget on Thornton Park Ablution Renovations
43	Community Amenities	1051154	Purchase Equipment - Other Community Amenities	DASD	Capital Expenditure (Infra))	-\$ 32,000	\$ -	\$ 32,000	\$ 32,000			-\$ 107,085	Upgrade to Fish Cleaning Facilities not proceeding due to unsuccessful grant funding request
44	Community Amenities	1057363	Cemetery Charges (GST Applicable)	DASD	Operating Income	\$ 25,000	\$ 17,000	-\$ 8,000		-\$ 8,000		-\$ 115,085	Cemetery Charges Income tracking low to budget estimate
45	Community Amenities	1058002	Maintenance - Public Conveniences	DASD	Operating Expenditure	-\$ 264,061	-\$ 274,061	-\$ 10,000		-\$ 10,000		-\$ 125,085	Additional costs incurred in annual maintenance of some public toilet facilities
46	Recreation & Culture	1121053	Grant - Swimming Area & Beaches	DASD	Operating Income	\$ -	\$ 13,290	\$ 13,290	\$ 13,290			-\$ 111,795	Unbudgeted Grant Funds Received for beach safety improvements
47	Recreation & Culture	1121072	Concept Design - Surf Club Realm/Prawn Rock Channel	EM Comm	Operating Expenditure	-\$ 20,000	-\$ 40,000	-\$ 20,000		-\$ 20,000		-\$ 131,795	Additional consulting fees required for the Surf Club Public Realm
48	Recreation & Culture	1130502	Depreciation - Parks etc.	EM Corp	Operating Expenditure	-\$ 456,183	-\$ 486,183	-\$ 30,000			-\$ 30,000	-\$ 131,795	Revised Non-Cash Depreciation Estimate
49	Recreation & Culture	1131422	Inlet Dredging	DASD	Operating Expenditure	-\$ 8,000	-\$ 4,000	\$ 4,000	\$ 4,000			-\$ 127,795	Full dredging not likely to be required this financial year
50	Recreation & Culture	1137033	Operating Grant Income - Sport & Recreation	Em Comm	Operating Income	\$ 34,000	\$ 10,000	-\$ 24,000		-\$ 24,000		-\$ 151,795	Grant Funding for Fish Cleaning Facilities not received - project not proceeding during 2019/2020
51	Recreation & Culture	1137063	Capital Grant - Recreation Facilities Infrastructure	EM Comm	Non-Operating Grant	\$ 24,000	\$ -	-\$ 24,000		-\$ 24,000		-\$ 175,795	Budget Error - duplication of grant for fish cleaning facilities
52	Recreation & Culture	1137703	Recreation Facility Hire Fees Income	EM Comm	Operating Income	\$ 5,000	\$ 8,000	\$ 3,000	\$ 3,000			-\$ 172,795	Revised year end projection for income based on YTD trend

SHIRE OF DENMARK
STATEMENT OF BUDGET REVIEW
(By Program)
For the Period Ended 31 January 2020

	Note	Adopted Budget 30 July 2019 (a)	Current Amended Budget	Reviewed Budget (b)	YTD Actual	Var. \$ (b)-(a)	Var. % (b)-(a)
Operating Revenue			\$		\$	\$	%
Governance		52,807	52,807	67,907	54,165	(15,100)	28.59%
General Purpose Funding		814,310	814,310	745,262	423,180	69,048	(8.48%)
Law, Order and Public Safety		1,157,246	1,157,246	1,192,246	819,133	(35,000)	3.02%
Health		42,000	42,000	26,500	20,981	15,500	(36.90%)
Education and Welfare		69,300	69,300	96,200	43,420	(26,900)	38.82%
Housing		450,698	450,698	698	1,187	450,000	(99.85%)
Community Amenities		1,535,456	1,535,456	1,534,456	1,447,304	1,000	(0.07%)
Recreation and Culture		900,151	900,151	860,941	376,149	39,210	(4.36%)
Transport		2,209,196	2,209,196	2,265,196	1,082,594	(56,000)	2.53%
Economic Services		1,161,133	1,161,133	1,173,133	977,046	(12,000)	1.03%
Other Property and Services		187,500	187,500	238,200	168,662	(50,700)	27.04%
Total (Excluding Rates)	(a)	8,579,797	8,579,797	8,200,739	5,413,819	379,058	
Operating Expense							
Governance		(878,629)	(878,629)	(875,629)	(491,524)	(3,000)	(0.34%)
General Purpose Funding		(506,992)	(506,992)	(529,992)	(345,773)	23,000	4.54%
Law, Order and Public Safety		(2,356,208)	(2,356,208)	(2,664,208)	(1,481,677)	308,000	13.07%
Health		(202,011)	(202,011)	(202,011)	(118,961)	0	0.00%
Education and Welfare		(338,212)	(338,212)	(374,612)	(185,082)	36,400	10.76%
Housing		(79,552)	(79,552)	(114,552)	(36,464)	35,000	44.00%
Community Amenities		(2,643,267)	(2,643,267)	(2,681,826)	(1,544,630)	38,559	1.46%
Recreation and Culture		(3,164,050)	(3,164,050)	(3,216,050)	(1,816,603)	52,000	1.64%
Transport		(4,477,003)	(4,477,003)	(4,477,003)	(2,424,436)	0	0.00%
Economic Services		(1,197,244)	(1,197,244)	(1,188,649)	(621,662)	(8,595)	(0.72%)
Other Property and Services		(187,073)	(187,073)	(243,073)	(260,636)	56,000	29.93%
Total	(a)	(16,030,241)	(16,030,241)	(16,567,605)	(9,327,448)	537,364	
Funding Balance Adjustment							
Add back Depreciation	(b)	4,469,600	4,469,600	4,637,600	2,692,653	(168,000)	3.76%
Adjust (Profit)/Loss on Asset Disposal	(b)	174,900	174,900	281,900	239,164	(107,000)	61.18%
Adjust Provisions and Accruals	(b)	0	0	0	0	0	
Net Operating (Ex. Rates)		(2,805,944)	(2,805,944)	(3,447,366)	(981,812)	641,422	
Capital Revenues							
Proceeds from Disposal of Assets		156,000	156,000	156,000	67,083	0	0.00%
Proceeds from New Debentures		0	0	0	0	0	0.00%
Proceeds from Sale of Investments		0	0	0	0	0	0.00%
Proceeds from Advances		0	0	0	0	0	0.00%
Self-Supporting Loan Principal		53,853	53,853	53,853	42,870	0	0.00%
Transfer from Reserves		1,380,000	1,380,000	1,380,000	332,289	0	0.00%
Total		1,589,853	1,589,853	1,589,853	442,242	0	
Capital Expenses							
Land Held for Resale		0	0	0	0	0	0.00%
Land and Buildings		(1,573,857)	(1,573,857)	(1,093,857)	(431,003)	(480,000)	(30.50%)
Plant and Equipment		(430,000)	(430,000)	(430,000)	(64,954)	0	0.00%
Furniture and Equipment		(35,000)	(35,000)	(35,000)	(6,620)	0	0.00%
Infrastructure Assets - Roads		(3,716,871)	(3,716,871)	(3,566,871)	(877,059)	(150,000)	(4.04%)
Infrastructure Assets - Other		(171,085)	(171,085)	(139,085)	(104,155)	(32,000)	
Purchase of Investments		0	0	0	0	0	0.00%
Repayment of Debentures		(298,573)	(298,573)	(298,573)	(163,791)	0	0.00%
Advances to Community Groups		0	0	0	0	0	0.00%
Transfer to Reserves		(317,170)	(317,170)	(317,170)	(39,677)	0	0.00%
Total		(6,542,556)	(6,542,556)	(5,880,556)	(1,687,259)	(662,000)	
Net Capital	(a)	(4,952,703)	(4,952,703)	(4,290,703)	(1,245,017)	(662,000)	
Total Net Operating + Capital		(7,758,647)	(7,758,647)	(7,738,069)	(2,226,829)	(20,578)	
Rate Revenue	(e)	6,725,471	6,725,471	6,725,471	6,722,735	0	0.00%
Restricted Grants		182,931	182,931	182,931	182,931	0	0.00%
Opening Funding Surplus(Deficit)	(c)	850,243	850,243	829,665	829,665	20,578	(2.42%)
Closing Funding Surplus(Deficit)	(d)	0	0	0	5,508,502	0	

SHIRE OF DENMARK
STATEMENT OF BUDGET REVIEW
(By Program)
For the Period Ended 31 January 2020
SURPLUS/(DEFICIT)

Note	Action	2019/2020 Adopted Budget	31/01/2020 Reviewed Budget	31/01/2020 YTD Actual
(a)	This total is the sum of operating revenue, operating expenditure, capital income and capital expenditure, excluding rates.	(12,403,145)	(12,657,567)	(5,158,646)
(b)	Add back all non cash items	4,644,500	4,919,500	2,931,817
	Restricted Grants	182,931	182,931	182,931
(c)	Add surplus/(deficit) July 1 brought forward	850,243	829,665	829,665
(d)	Deduct surplus/(deficit) June 30 carried forward	0	0	5,508,502
(e)	Sum (a), (b) and (c), deduct amount at (d). Total is amount of rates to be levied	(6,725,471)	(6,725,471)	(6,722,735)

CLOSING FUNDS AND BUDGET AMENDMENTS

Note	Action	Adopted Budget	Reviewed Budget	YTD Actual
(a)	This net current assets total should agree with the statement of financial position in the annual statements or with the budgeted net current assets note.	1,924,313	1,924,313	8,461,477
(b)	Deduct restricted reserve and restricted municipal (usually unspent grants) amounts.	(3,347,060)	(3,347,060)	(4,211,931)
(c)	Add back current loan repayments due as they represent a current liability for payments to be made over the next 12 months already reflected as budgeted expenditure.	298,573	298,573	134,782
(d)	Add back leave provisions.	1,124,174	1,124,174	1,124,174
(e)	Closing Funds	0	0	5,508,502

SHIRE OF DENMARK
NOTES TO THE BUDGET REVIEW Report
For the Period Ended 31 January 2020

2019/2020 Adopted Budget \$	31/01/2020 Reviewed Budget \$	31/01/2020 YTD Actual \$
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Note: CLOSING FUNDS

Closing funds represented by:

Current Assets

Cash & Cash Equivalents	4,515,753	4,515,753	8,901,247
Receivables	228,723	228,723	1,740,224
GST Receivable	0	0	0
Inventories	42,971	42,971	225,367
Total Current Assets	<u>4,787,447</u>	<u>4,787,447</u>	<u>10,866,838</u>

Current Liabilities

Creditors and Accounts Payables	1,440,387	1,440,387	1,146,405
Provisions	1,124,174	1,124,174	1,124,174
Current Loan Liability	298,573	298,573	134,782
Total Current Liabilities	<u>2,863,134</u>	<u>2,863,134</u>	<u>2,405,361</u>

Net Current Assets

(a)	<u>1,924,313</u>	<u>1,924,313</u>	<u>8,461,477</u>
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LESS Restricted Reserves

(b)	<u>(3,347,060)</u>	<u>(3,347,060)</u>	<u>(4,211,931)</u>
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LESS Restricted MUNI

ADD Back Loan Repayments

(c)	298,573	298,573	134,782
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ADD Back Leave Provisions

(d)	1,124,174	1,124,174	1,124,174
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Closing Funds Surplus (Deficit)

(e)	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>5,508,502</u></u>
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