

SHIRE OF DENMARK
STATEMENT OF BUDGET REVIEW
(By Program)
For the Period Ended 31 January 2019

	Note	Adopted Budget 31 July 2018 (a)	Current Amended Budget	Reviewed Budget (b)	YTD Actual	Var. \$ (b)-(a)	Var. % (b)-(a)
Operating Revenue			\$		\$	\$	%
Governance		89,160	89,160	90,160	67,151	(1,000)	1.12%
General Purpose Funding		809,990	809,990	799,823	447,483	10,167	(1.26%)
Law, Order and Public Safety		737,403	737,403	751,403	297,513	(14,000)	1.90%
Health		39,000	39,000	24,000	22,479	15,000	(38.46%)
Education and Welfare		63,642	63,642	63,642	36,178	0	0.00%
Housing		4,147	4,147	9,692	1,845	(5,545)	133.71%
Community Amenities		1,594,710	1,594,710	1,605,510	1,440,851	(10,800)	0.68%
Recreation and Culture		969,691	969,691	939,691	316,490	30,000	(3.09%)
Transport		3,112,884	3,112,884	3,508,384	1,030,552	(395,500)	12.71%
Economic Services		1,128,684	1,128,684	1,121,684	869,751	7,000	(0.62%)
Other Property and Services		149,000	149,000	201,500	95,497	(52,500)	35.23%
Total (Excluding Rates)	(a)	8,698,311	8,698,311	9,115,489	4,625,790	(417,178)	
Operating Expense							
Governance		(749,108)	(709,108)	(667,608)	(397,811)	(81,500)	(10.88%)
General Purpose Funding		(576,019)	(576,019)	(576,019)	(318,467)	0	0.00%
Law, Order and Public Safety		(1,844,953)	(1,844,953)	(1,835,953)	(1,049,640)	(9,000)	(0.49%)
Health		(223,893)	(223,893)	(223,893)	(134,324)	0	0.00%
Education and Welfare		(277,855)	(277,855)	(283,400)	(171,396)	5,545	2.00%
Housing		(94,989)	(134,989)	(134,989)	(49,108)	40,000	42.11%
Community Amenities		(2,680,981)	(2,680,981)	(2,679,781)	(1,399,836)	(1,200)	(0.04%)
Recreation and Culture		(2,865,773)	(2,865,773)	(2,851,773)	(1,457,674)	(14,000)	(0.49%)
Transport		(3,932,312)	(3,932,312)	(3,966,312)	(2,485,786)	34,000	0.86%
Economic Services		(1,151,686)	(1,151,686)	(1,144,686)	(571,068)	(7,000)	(0.61%)
Other Property and Services		(118,387)	(118,387)	(161,387)	(183,951)	43,000	36.32%
Total	(a)	(14,515,956)	(14,515,956)	(14,525,801)	(8,219,061)	9,845	
Funding Balance Adjustment							
Add back Depreciation	(b)	4,442,692	4,442,692	4,442,692	2,184,202	0	0.00%
Adjust (Profit)/Loss on Asset Disposal	(b)	86,700	86,700	86,700	51,713	0	0.00%
Adjust Provisions and Accruals	(b)	51,096	51,096	51,096	(73,863)	0	0.00%
Net Operating (Ex. Rates)		(1,237,157)	(1,237,157)	(829,824)	(1,431,219)	(407,333)	
Capital Revenues							
Proceeds from Disposal of Assets		191,500	191,500	191,500	0	0	0.00%
Proceeds from New Debentures		0	0	0	0	0	
Proceeds from Sale of Investments		0	0	0	0	0	
Proceeds from Advances		0	0	0	0	0	
Self-Supporting Loan Principal		50,683	50,683	50,683	40,100	0	0.00%
Transfer from Reserves		1,808,500	1,808,500	2,450,500	72,588	(642,000)	35.50%
Total		2,050,683	2,050,683	2,692,683	112,688	(642,000)	
Capital Expenses							
Land Held for Resale		0	0	0	0	0	0.00%
Land and Buildings		(2,072,945)	(2,072,945)	(2,276,945)	(404,179)	204,000	9.84%
Plant and Equipment		(670,500)	(670,500)	(682,500)	(160,375)	12,000	1.79%
Furniture and Equipment		(15,000)	(15,000)	(15,000)	(16,067)	0	0.00%
Infrastructure Assets - Roads		(4,254,403)	(4,254,403)	(4,944,403)	(2,516,157)	690,000	16.22%
Infrastructure Assets - Other		(107,700)	(107,700)	(107,700)	(9,355)	0	
Purchase of Investments		0	0	0	0	0	0.00%
Repayment of Debentures		(284,185)	(284,185)	(284,185)	(155,485)	0	0.00%
Advances to Community Groups		0	0	0	0	0	0.00%
Transfer to Reserves		(948,692)	(948,692)	(948,692)	(103,328)	0	0.00%
Total		(8,353,425)	(8,353,425)	(9,259,425)	(3,364,946)	906,000	
Net Capital	(a)	(6,302,742)	(6,302,742)	(6,566,742)	(3,252,258)	264,000	
Total Net Operating + Capital		(7,539,899)	(7,539,899)	(7,396,566)	(4,683,477)	(143,333)	
Rate Revenue	(e)	6,419,313	6,419,313	6,419,313	6,438,116	0	0.00%
Restricted Grants		164,445	164,445	164,445	164,445		
Opening Funding Surplus(Deficit)	(c)	956,141	956,141	812,808	812,808	143,333	(14.99%)
Closing Funding Surplus(Deficit)	(d)	0	0	0	2,731,892	0	

SHIRE OF DENMARK
STATEMENT OF BUDGET REVIEW
(By Program)
For the Period Ended 31 January 2019
SURPLUS/(DEFICIT)

Note	Action	2018/19 Adopted Budget	31/01/2019 Reviewed Budget	31/01/2019 YTD Actual
(a)	This total is the sum of operating revenue, operating expenditure, capital income and capital expenditure, excluding rates.	(12,120,387)	(11,977,054)	(6,845,529)
(b)	Add back all non cash items	4,580,488	4,580,488	2,162,052
	Restricted Grants	164,445	164,445	164,445
(c)	Add surplus/(deficit) July 1 brought forward	956,141	812,808	812,808
(d)	Deduct surplus/(deficit) June 30 carried forward	0	0	2,731,892
(e)	Sum (a), (b) and (c), deduct amount at (d). Total is amount of rates to be levied	(6,419,313)	(6,419,313)	(6,438,116)

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.	8,034,014	7,832,014	11,597,575
(b)	Deduct restricted reserve and restricted municipal (usually unspent grants) amounts.	(9,106,355)	(8,904,355)	(9,996,902)
(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.	0	0	128,700
(d)	Add back leave provisions.	1,072,341	1,072,341	1,002,519
(e)	Closing Funds	0	0	2,731,892

SHIRE OF DENMARK
NOTES TO THE BUDGET REVIEW Report
For the Period Ended 31 January 2019

2018/19 Adopted Budget \$	31/01/2019 Reviewed Budget \$	31/01/2019 YTD Actual \$
------------------------------------	--	-----------------------------------

Note: CLOSING FUNDS

Closing funds represented by:

Current Assets

Cash & Cash Equivalents	10,272,496	10,070,496	12,295,074
Receivables	228,723	228,723	1,696,082
GST Receivable	0	0	0
Inventories	152,511	152,511	151,329
Total Current Assets	10,653,730	10,451,730	14,142,485

Current Liabilities

Creditors and Accounts Payables	1,547,375	1,547,375	1,413,691
Provisions	1,072,341	1,072,341	1,002,519
Current Loan Liability			128,700
Total Current Liabilities	2,619,716	2,619,716	2,544,910

Net Current Assets

(a)	8,034,014	7,832,014	11,597,575
-----	------------------	------------------	-------------------

LESS Restricted Reserves	(b)	(9,106,355)	(8,904,355)	(9,996,902)
--------------------------	-----	--------------------	--------------------	--------------------

LESS Restricted MUNI

ADD Back Loan Repayments	(c)	0	0	128,700
--------------------------	-----	---	---	---------

ADD Back Leave Provisions	(d)	1,072,341	1,072,341	1,002,519
---------------------------	-----	-----------	-----------	-----------

Closing Funds Surplus (Deficit)

(e)	0	0	2,731,892
-----	----------	----------	------------------

SHIRE OF DENMARK
STATEMENT OF BUDGET REVIEW
For the Period Ended 31 January 2019

GL Code	Description	Job	Classification	Original Budget	Proposed Amended Budget	Increase / (Decrease)	Increase in available Cash	Decrease in available Cash	Back Funded from Reserves	Reviewed Budget Running Balance	Comment
	Current Adopted Surplus Position 30/6/2019			\$ -						\$ -	
	Opening Surplus B/Fwd 1/7/2018			\$ 956,141	\$ 812,808	-\$ 143,333		-\$ 143,333		-\$ 143,333	Confirmed Surplus after year end adjustments and audit
1318023	Penalty On Rates		Operating Income	-\$ 50,000	-\$ 60,000	\$ 10,000	\$ 10,000			-\$ 133,333	Revised year end projection for income from this source based on YTD trend
1318233	GRV's Interim Rates		Operating Income	\$ -	-\$ 20,714	\$ 20,714	\$ 20,714			-\$ 112,619	No budget provision made - update to anticipated income based on YTD trend
1318253	Back Rates		Operating Income	\$ -	-\$ 7,000	\$ 7,000	\$ 7,000			-\$ 105,619	No budget provision made - update to anticipated income based on YTD trend
1327033	Grants Commission Grant		Operating Income	-\$ 298,608	-\$ 286,684	-\$ 11,924		-\$ 11,924		-\$ 117,543	Adjustment to 2018/19 final grant allocation confirmation
1327103	Grants Commission Grant-R/Work		Operating Income	-\$ 265,246	-\$ 229,289	-\$ 35,957		-\$ 35,957		-\$ 153,500	Adjustment to 2018/19 final grant allocation confirmation
1410082	Donations Gifts		Operating Expenditure	\$ 23,600	\$ 19,600	\$ 4,000	\$ 4,000			-\$ 149,500	Reduction to expenditure provision based on YTD call on funds
1420152	Advertising - Administration		Operating Expenditure	\$ 26,000	\$ 18,000	\$ 8,000	\$ 8,000			-\$ 141,500	Revised year end projection based on YTD trend
1420232	Legal Expenses		Operating Expenditure	\$ 20,000	\$ 30,000	-\$ 10,000		-\$ 10,000		-\$ 151,500	Initial budget provision spent - Additional costs associated with lease renewals and other advice
1420262	Executive Team Development		Operating Expenditure	\$ 10,000	\$ 6,000	\$ 4,000	\$ 4,000			-\$ 147,500	Reduction in provision due to directorate restructure and timing
1420312	Telecommunications Audit & Leasing	16350	Operating Expenditure	\$ 22,000	\$ 16,500	\$ 5,500	\$ 5,500			-\$ 142,000	Budget adjusted to reflect confirmed lease contract costs - lease cost \$1373 pm - \$16476 per year
1420332	Asset Management Planning		Operating Expenditure	\$ 75,000	\$ 45,000	\$ 30,000	\$ 30,000			-\$ 112,000	Some 2018/19 budgeted costs incurred in prior year - adjustment for provision for current year
1427203	Reimbursement - Other		Operating Income	-\$ 15,000	-\$ 30,000	\$ 15,000	\$ 15,000			-\$ 97,000	Revised year end projection based on YTD actual (Contrib. to ex employee leave entitlements)
1427613	LGIS Insurance Rebate		Operating Income	-\$ 30,000	-\$ 16,000	-\$ 14,000		-\$ 14,000		-\$ 111,000	Insurance scheme rebate and member distribution lower than expected
1515002	Fire Prevention Plan & Reserve Management Expenses	15502	Operating Expenditure	\$ 18,000	\$ 13,000	\$ 5,000	\$ 5,000			-\$ 106,000	Revised year end projection based on YTD trend
1530262	Local & State Emergency Disaster Relief		Operating Expenditure	\$ 4,000	\$ 2,000	\$ 2,000	\$ 2,000			-\$ 104,000	Adjustment to provision based on likelihood for call on funds
1530272	National Emergency Disaster Relief		Operating Expenditure	\$ 4,000	\$ 2,000	\$ 2,000	\$ 2,000			-\$ 102,000	Adjustment to provision based on likelihood for call on funds
1531054	Purchase Plant - Law & Order GEN		Capital Expenditure	\$ 52,000	\$ 64,000	-\$ 12,000			\$ 12,000	-\$ 102,000	Costs for custom canopy for Ranger vehicle - funded from Plant Replacement Reserve
1540113	ESL - Buildings		Operating Income	\$ -	-\$ 14,000	\$ 14,000	\$ 14,000			-\$ 88,000	Unbudgeted Grant to upgrade facilities at Mount Lindesay Fire Shed
1541004	Purchase Land & Buildings - ESL		Capital Expenditure	\$ -	\$ 14,000	-\$ 14,000		-\$ 14,000		-\$ 102,000	Upgrades to Mount Lindesay Fire Shed - Grant Funded (refer above)
1630222	International Day of Disability		Operating Expenditure	\$ 3,000	\$ 4,000	-\$ 1,000		-\$ 1,000		-\$ 103,000	Additional expense for unbudgeted wellbeing program - offset by grant income
1630282	Donation Denmark Over 50's Association		Operating Expenditure	\$ -	\$ 4,545	-\$ 4,545		-\$ 4,545		-\$ 107,545	Additional expense for unbudgeted wellbeing program - offset by grant income
1630013	Disability Services Contributions		Operating Income	\$ -	-\$ 1,000	\$ 1,000	\$ 1,000			-\$ 106,545	Funding received for new wellbeing program - offset by matching expenditure
1630033	Grant - Council on the Ageing WA		Operating Income	\$ -	-\$ 4,545	\$ 4,545	\$ 4,545			-\$ 102,000	Funding received for new wellbeing program - offset by matching expenditure
1737173	Holiday Accommodation		Operating Income	-\$ 16,000	-\$ 1,000	-\$ 15,000		-\$ 15,000		-\$ 117,000	Annual Registration Renewal fee removed as part of 2018/2019 budget deliberations
1023482	Recycling Contract (Cleanaway)	21006	Operating Expenditure	\$ 210,000	\$ 225,000	-\$ 15,000		-\$ 15,000		-\$ 132,000	Revised year end projection based on YTD trend
1025002	Consulting Fees - Waste Services Review		Operating Expenditure	\$ 15,000	\$ 25,000	-\$ 10,000			\$ 10,000	-\$ 132,000	Waste Services Review additional consultancy costs - Funded from Waste Services Reserve
1028302	Transport From Transfer Station - McIntosh Road	21002	Operating Expenditure	\$ 100,000	\$ 85,000	\$ 15,000	\$ 15,000			-\$ 117,000	Revised year end projection based on YTD trend
1027333	Sale 240L Bins		Operating Income	\$ -	-\$ 4,000	\$ 4,000	\$ 4,000			-\$ 113,000	Income estimate omitted from original adopted budget
1028503	Sale of Recycled Items		Operating Income	-\$ 10,000	-\$ 35,000	\$ 25,000	\$ 25,000			-\$ 88,000	Accounting for additional revenue received from sale of scrap metal
1040082	Salaries - Planning		Operating Expenditure	\$ 417,688	\$ 397,688	\$ 20,000	\$ 20,000			-\$ 68,000	Adjustment to reflect directorate restructure and need for consultancy services
1040112	Planning Contract Services		Operating Expenditure	\$ -	\$ 20,000	-\$ 20,000		-\$ 20,000		-\$ 88,000	Consulting fees not provided for in original budget - contract planning services currently engaged
1051154	Purchase Infrastructure - CCTV		Operating Expenditure	\$ 30,200	\$ 12,000	\$ 18,200	\$ 18,200			-\$ 69,800	Budget Funding for Year 1 of CCTV Grant not correct in original budget (refer below)
1058102	Cemetery Maintenance	21201	Operating Expenditure	\$ 36,500	\$ 43,500	-\$ 7,000		-\$ 7,000		-\$ 76,800	Additional Budget Provision for Fence at Cemetary and Ag College
1057393	Grant - Safer Communities		Operating Income	-\$ 30,200	-\$ 12,000	-\$ 18,200		-\$ 18,200		-\$ 95,000	Funding for Year 1 of Grant Received (refer above)
1118012	Mens Shed		Operating Expenditure	\$ -	\$ 12,000	-\$ 12,000		-\$ 12,000		-\$ 107,000	Accounting for Mens Shed GSDC Funding to be paid out on project completion
1111154	Plane Tree Precinct	50210	Capital Expenditure	\$ 614,810	\$ 734,810	-\$ 120,000			\$ 120,000	-\$ 107,000	Revision to project budget and scope of works - Funded from Land & Buildings Reserve
1121032	Survey Fees - Rivermouth Foreshore Area		Operating Expenditure	\$ -	\$ 10,000	-\$ 10,000		-\$ 10,000		-\$ 117,000	Provide funding to allow an ethnographic survey of entire Rivermouth Foreshore area
1131002	McLean Oval Redevelopment Project	50081	Capital Expenditure	\$ 1,143,000	\$ 1,213,000	-\$ 70,000			\$ 70,000	-\$ 117,000	Revision to project budget and scope of works - Funded from Land & Buildings Reserve
1131022	Contr - Club Development Officer		Operating Expenditure	\$ 40,000	\$ 20,000	\$ 20,000	\$ 20,000			-\$ 97,000	Full funding allocation not approved - budget adjusted accordingly
1131102	Sport 4 All - Kidsport Program		Operating Expenditure	\$ 20,000	\$ 10,000	\$ 10,000	\$ 10,000			-\$ 87,000	Change to program administration arrangements - funding no longer released through LG
1131422	Wilson Inlet Dredging	15073	Operating Expenditure	\$ 8,000	\$ 2,000	\$ 6,000	\$ 6,000			-\$ 81,000	Full annual provision for dredging not expected to be required this year

SHIRE OF DENMARK
STATEMENT OF BUDGET REVIEW
For the Period Ended 31 January 2019

GL Code	Description	Job	Classification	Original Budget	Proposed Amended Budget	Increase / (Decrease)	Increase in available Cash	Decrease in available Cash	Back Funded from Reserves	Reviewed Budget Running Balance	Comment
1137033	Grant - Dept Sport & Recreation		Operating Income	-\$ 30,000	-\$ 10,000	-\$ 20,000		-\$ 20,000		-\$ 101,000	Change in funding amount approved after 2018/19 budget adopted
1137783	Grant - Sport 4 All - Kidsport Program		Operating Income	-\$ 20,000	-\$ 10,000	-\$ 10,000		-\$ 10,000		-\$ 111,000	Program no longer administered through LG
1228022	Wandra - Flood Damage Claim	50201	Capital Expenditure	\$ 1,150,000	\$ 1,410,000	-\$ 260,000		-\$ 260,000		-\$ 371,000	Reinstatement works and project scope amended - fully recoverable
1228202	Depot Maintenance	32001	Operating Expenditure	\$ 47,500	\$ 62,500	-\$ 15,000		-\$ 15,000		-\$ 386,000	Additional costs related to depot facility maintenance and budgeted upgrade
1228362	Bridges Maintenance	32005	Operating Expenditure	\$ 31,000	\$ 50,000	-\$ 19,000		-\$ 19,000		-\$ 405,000	Revised year end projection based on YTD trend
1226503	Engineers Supervision Fees		Operating Income	-\$ 20,000	-\$ 5,000	-\$ 15,000		-\$ 15,000		-\$ 420,000	No current projects requiring this service - income estimate adjusted accordingly
1227603	Contribution to Works		Operating Income	\$ -	-\$ 116,000	\$ 116,000	\$ 116,000			-\$ 304,000	Transfer prior years development contributions into revenue to comply with Accounting Standards
1228403	Grant - MRWA Direct		Operating Income	-\$ 66,000	-\$ 110,500	\$ 44,500	\$ 44,500			-\$ 259,500	Increase in approved annual grant funding allocation - Budget adjusted accordingly
1228443	WANDRRA		Non Operating Grants	-\$ 1,000,000	-\$ 1,260,000	\$ 260,000	\$ 260,000			\$ 500	Project scope amended - additional income to be received to offset expenditure
1220294	Denmark East Development Project - Civil Works Roads	51522	Capital Expenditure	\$ 600,000	\$ 1,030,000	-\$ 430,000			\$ 430,000	\$ 500	2018/19 Project budget increased (incl.Roundabout) - Funded by Denmark East Development Reserve
1497083	Commissions DPI		Operating Income	-\$ 85,000	-\$ 75,000	-\$ 10,000		-\$ 10,000		-\$ 9,500	Revised year end projection for income from this source based on YTD trend
1120102	Lime Sand Other Expenses	70001	Operating Expenditure	\$ 50,125	\$ 43,125	\$ 7,000	\$ 7,000			-\$ 2,500	Revised year end projection based on YTD trend
1121003	Sale of Lime Sand		Operating Income	-\$ 395,400	-\$ 388,400	-\$ 7,000		-\$ 7,000		-\$ 9,500	Amendment to adopted budget - sale price per tonne rate incorrect in original budget
1430702	Infrastructure Consultants		Operating Expenditure	\$ -	\$ 5,000	-\$ 5,000		-\$ 5,000		-\$ 14,500	Nominal budget provision made for outsourcing engineering related projects to consultants
1430712	Insurance OH & S Consultants		Operating Expenditure	\$ 10,000	\$ 16,000	-\$ 6,000		-\$ 6,000		-\$ 20,500	Original budget provision insufficient to cover 2018/19 contribution obligation
1440062	Insurance - Plant		Operating Expenditure	\$ 45,000	\$ 37,000	\$ 8,000	\$ 8,000			-\$ 12,500	Lower than expected insurance renewal premuim - cost saving achieved
1450803	Diesel Fuel Rebate		Operating Income	-\$ 30,000	-\$ 42,500	\$ 12,500	\$ 12,500			\$ -	Revised year end projection for income from this source based on YTD trend
1470872	Novated Lease Payments		Operating Expenditure	\$ 60,000	\$ 100,000	-\$ 40,000		-\$ 40,000		-\$ 40,000	Additional costs associated with novated lease arrangements - NOTE: Cost neutral to Shire
1470873	Novated Lease- Pre Tax Deductions		Operating Income	-\$ 30,000	-\$ 50,000	\$ 20,000	\$ 20,000			-\$ 20,000	Contributions towards novated lease arrangements for staff (refer above)
1470883	Novated Lease - Post Tax Deductions		Operating Income	-\$ 30,000	-\$ 50,000	\$ 20,000	\$ 20,000			\$ -	Contributions towards novated lease arrangements for staff (refer above)

Current Adopted Budget Surplus Position 30 June 2019

\$0

Proposed Amended Budget Surplus Position

\$0

