

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

	Note	Adopted Budget 4 August 2020 (a)	Current Amended Budget	Reviewed Budget (b)	YTD Actual	Var. \$ (b)-(a)	Var. % (b)-(a)
Operating Revenue		\$	\$	\$	\$	\$	%
Governance		37,307	37,307	96,185	89,910	(58,878)	157.82%
General Purpose Funding		648,962	648,962	662,088	349,592	(13,126)	2.02%
Law, Order and Public Safety		891,476	891,476	882,476	294,937	9,000	(1.01%)
Health		18,500	18,500	18,500	20,152	0	0.00%
Education and Welfare		53,004	53,004	53,004	31,698	0	0.00%
Community Amenities		1,746,800	1,746,800	1,851,800	1,492,525	(105,000)	6.01%
Recreation and Culture		435,569	435,569	480,569	161,822	(45,000)	10.33%
Transport		5,245,423	5,245,423	5,325,423	1,806,782	(80,000)	1.53%
Economic Services		1,175,313	1,175,313	1,207,313	539,196	(32,000)	2.72%
Other Property and Services		153,800	153,800	153,800	88,210	0	0.00%
Total (Excluding Rates)	(a)	10,406,154	10,406,154	10,731,158	4,874,826	(325,004)	
Operating Expense							
Governance		(852,390)	(852,390)	(903,390)	(374,168)	51,000	5.98%
General Purpose Funding		(511,047)	(511,047)	(511,047)	(228,861)	0	0.00%
Law, Order and Public Safety		(2,499,270)	(2,499,270)	(2,515,145)	(1,150,833)	15,875	0.64%
Health		(201,397)	(201,397)	(213,397)	(97,509)	12,000	5.96%
Education and Welfare		(381,143)	(381,143)	(387,143)	(146,947)	6,000	1.57%
Housing		(53,425)	(53,425)	(62,425)	(42,513)	9,000	16.85%
Community Amenities		(2,674,290)	(2,774,290)	(2,844,290)	(1,328,408)	170,000	6.36%
Recreation and Culture		(2,930,587)	(2,930,587)	(2,988,087)	(1,250,181)	57,500	1.96%
Transport		(4,150,628)	(4,170,628)	(4,350,628)	(2,334,922)	200,000	4.82%
Economic Services		(1,109,063)	(1,109,063)	(1,119,063)	(413,047)	10,000	0.90%
Other Property and Services		(178,096)	(178,096)	(192,096)	(101,738)	14,000	7.86%
Total	(a)	(15,541,336)	(15,661,336)	(16,086,711)	(7,469,127)	545,375	
Funding Balance Adjustment							
Add back Depreciation	(b)	4,459,461	4,459,461	4,679,961	2,270,241	(220,500)	4.94%
Adjust (Profit)/Loss on Asset Disposal	(b)	(51,000)	(51,000)	(51,000)	(14,224)	0	0.00%
Adjust Provisions and Accruals	(b)	0	0	0	0	0	
Net Operating (Ex. Rates)		(726,721)	(846,721)	(726,592)	(338,284)	(129)	
Capital Revenues							
Proceeds from Disposal of Assets		117,000	117,000	117,000	24,296	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		22,048	22,048	22,048	10,923	0	0.00%
Transfer from Reserves		898,000	908,000	908,000	156,292	(10,000)	1.11%
Total		1,037,048	1,047,048	1,047,048	191,511	(10,000)	
Capital Expenses							
Land Held for Resale		0	0	0	0	0	0.00%
Land and Buildings		(430,000)	(430,000)	(410,000)	(144,578)	(20,000)	(4.65%)
Plant and Equipment		(607,000)	(607,000)	(607,000)	(338,824)	0	0.00%
Infrastructure Assets - Roads		(5,890,937)	(5,900,937)	(5,990,937)	(609,006)	100,000	1.70%
Infrastructure Assets - Other		(100,000)	(100,000)	(205,000)	(3,065)	105,000	
Purchase of Investments		0	0	0	0	0	0.00%
Repayment of Debentures		(245,165)	(245,165)	(245,165)	(121,175)	0	0.00%
Principal elements of finance leases		(98,027)	(98,027)	(98,027)	0	0	0.00%
Transfer to Reserves		(803,452)	(803,452)	(803,452)	(11,125)	0	0.00%
Total		(8,174,581)	(8,184,581)	(8,359,581)	(1,227,773)	185,000	
Net Capital	(a)	(7,137,533)	(7,137,533)	(7,312,533)	(1,036,262)	175,000	
Total Net Operating + Capital		(7,864,254)	(7,984,254)	(8,039,125)	(1,374,546)	174,871	
Rate Revenue	(e)	6,559,632	6,559,632	6,559,632	6,570,011	0	0.00%
Restricted Grants		0	0	0	0	0	
Opening Funding Surplus(Deficit)	(c)	1,504,620	1,504,620	1,659,492	1,659,492	(154,872)	10.29%
Closing Funding Surplus(Deficit)	(d)	200,000	80,000	180,000	6,854,957	20,000	

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

Note	Action	2020/2021 Adopted Budget	31/12/2020 Reviewed Budget	31/12/2020 YTD Actual
(a)	This total is the sum of operating revenue, operating expenditure, capital income and capital expenditure, excluding rates.	(12,272,715)	(12,668,086)	(3,630,563)
(b)	Add back all non cash items	4,408,461	4,628,961	2,256,017
	Restricted Grants	0	0	0
(c)	Add surplus/(deficit) July 1 brought forward	1,504,620	1,659,492	1,659,492
(d)	Deduct surplus/(deficit) June 30 carried forward	200,000	180,000	6,854,957
(e)	Sum (a), (b) and (c), deduct amount at (d). Total is amount of rates to be levied	(6,559,632)	(6,559,632)	(6,570,011)

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.	3,102,488	3,072,488	9,762,231
(b)	Deduct restricted reserve and restricted municipal (usually unspent grants) amounts.	(4,281,518)	(4,271,518)	(4,230,899)
(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.	245,165	245,165	123,989
(d)	Add back leave provisions.	1,133,865	1,133,865	1,199,636
(e)	Closing Funds	200,000	180,000	6,854,957

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

2020/2021 Adopted Budget \$	31/12/2020 Reviewed Budget \$	31/12/2020 YTD Actual \$
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Note: CLOSING FUNDS

Closing funds represented by:

Current Assets

Cash & Cash Equivalents	5,340,571	5,340,571	9,889,081
Receivables	930,267	920,267	1,918,040
GST Receivable	0	0	0
Inventories	209,415	209,415	160,415
Total Current Assets	<u>6,480,253</u>	<u>6,470,253</u>	<u>11,967,536</u>

Current Liabilities

Creditors and Payables	1,998,735	2,018,735	881,680
Provisions	1,133,865	1,133,865	1,199,636
Current Loan Liability	245,165	245,165	123,989
Total Current Liabilities	<u>3,377,765</u>	<u>3,397,765</u>	<u>2,205,305</u>

Net Current Assets

(a)	<u>3,102,488</u>	<u>3,072,488</u>	<u>9,762,231</u>
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LESS Restricted Reserves

(b)	<u>(4,281,518)</u>	<u>(4,271,518)</u>	<u>(4,230,899)</u>
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(c)	245,165	245,165	123,989
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(d)	1,133,865	1,133,865	1,199,636
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Closing Funds Surplus (Deficit)

(e)	<u><u>200,000</u></u>	<u><u>180,000</u></u>	<u><u>6,854,957</u></u>
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Line	Program	GL Code	Description	Classification	Original Budget \$	Proposed Amended Budget	Increase / (Decrease)	Increase in available Cash	Decrease in available Cash	Non-Cash Item	Back Funded from Reserves	Reviewed Budget Running Balance	Comment
1			Adopted Budget Surplus Position - Y/E 30/06/2021		200,000							200,000	
2			Actual Opening Surplus B/Fwd. 01/07/2020		1,504,620	1,659,492	154,872	154,872				354,872	Confirmed Surplus after year end adjustments and audit
3			September 2020 budget review adjusted outcome		200,000	80,000	(120,000)		(120,000)			234,872	Net outcome of adopted quarterly budget review for period ended 30 September 2020
4	General Purpose Funding	1318133	Rates Enquiry Fees Income	Operating Income	25,000	35,000	10,000	10,000				244,872	Additional revenue to budget to reflect high volume of property transfer trend for year
5	General Purpose Funding	1318143	Rates Administration Charges Income - Admin Fee	Operating Income	28,000	20,000	(8,000)		(8,000)			236,872	Reduction in budget income to reflect trend for instalment option take up for year
6	General Purpose Funding	1318143	Rates Administration Charges Income - Interest	Operating Income	16,000	11,000	(5,000)		(5,000)			231,872	Reduction in budget income to reflect trend for instalment option take up for year
7	General Purpose Funding	1327033	Grants Commission General Purpose Funding Income	Operating Income	275,769	284,524	8,755	8,755				240,627	Adjustment to income to align to confirmed funding for 2020/2021
8	General Purpose Funding	1327103	Grants Commission Roadwork Contribution Income	Operating Income	220,643	228,014	7,371	7,371				247,998	Adjustment to income to align to confirmed funding for 2020/2021
9	Governance	1410252	Civic Receptions - Australia Day event wages	Operating Expenditure	(800)	(4,800)	(4,000)		(4,000)			243,998	Additional wages costs to host Australia Day event (grant funded)
10	Governance	1410252	Civic Receptions - Australia Day event other costs	Operating Expenditure	(12,000)	(17,000)	(5,000)		(5,000)			238,998	Additional contracted service costs to host Australia Day event (grant funded)
11	Governance	1411003	Grants Income - Governance	Operating Income	700	21,000	20,300	20,300				259,298	Unbudgeted grant income to host COVID safe Australia Day event
12	Governance	1420102	Other Expenses - Administration	Operating Expenditure	(25,000)	(29,000)	(4,000)		(4,000)			255,298	Adjustment to budget provision to allow for projected spend
13	Governance	1420162	Photocopier Supplies Expense	Operating Expenditure	(25,016)	(30,016)	(5,000)		(5,000)			250,298	Adjustment to budget provision to allow for projected spend
14	Governance	1420202	Travel & Accommodation Expense - Admin	Operating Expenditure	(13,000)	(23,000)	(10,000)		(10,000)			240,298	Adjustment to budget provision to allow for projected spend
15	Governance	1420282	Training Expenses - Admin	Operating Expenditure	(12,500)	(18,500)	(6,000)		(6,000)			234,298	Adjustment to budget provision to allow for projected spend
16	Governance	1420302	Corporate Services Projects Expense	Operating Expenditure	(68,115)	(78,115)	(10,000)		(10,000)			224,298	Additional costs to budget for upgrades to IT security project
17	Governance	1420322	Strategic Planning & General Consultancies Expense	Operating Expenditure	(25,000)	(40,000)	(15,000)		(15,000)			209,298	Additional provision for CEO performance appraisal, CEO recruitment & other minor consulting fees
18	Governance	1420922	Staff Housing Subsidy Expense	Operating Expenditure	(10,000)	(2,000)	8,000	8,000				217,298	Provision reduced due to current status of CEO role
19	Governance	1427613	LGIS Insurance Rebate Income	Operating Income	10,000	38,500	28,500	28,500				245,798	Higher than budgeted rebates through the LGIS membership scheme and good driver rebate
20	Governance	1427703	Sale of Misc Items Income	Operating Income	1,000	11,078	10,078	10,078				255,876	Proceeds of sale of miscellaneous surplus equipment not budgeted for
21	Law, Order & Public Safety	1510082	Salaries - Rangers Fire	Operating Expenditure	(74,795)	(84,795)	(10,000)		(10,000)			245,876	Additional casual employee resources required to cover periods of leave and peak tourist season
22	Law, Order & Public Safety	1510702	Strategic Fire Breaks & Fire Prevention Management Exp.	Operating Expenditure	(426,375)	(419,250)	7,125	7,125				253,001	Adjustment to carryover spend from 2019/2020 factored into accrual spend and grant acquittal
23	Law, Order & Public Safety	1540202	ESL - Safety Clothes & Accessories	Operating Expenditure	(18,000)	(28,000)	(10,000)		(10,000)			243,001	Increased provision to provide PPE for increased and new volunteer membership (DFES funded)
24	Law, Order & Public Safety	1560073	Reimbursement - Rent Expense - CESM	Operating Income	18,200	9,200	(9,000)		(9,000)			234,001	Adjust budget due to change in CESM role arrangements
25	Law, Order & Public Safety	1560082	Community Emergency Services Manager - Salaries	Operating Expenditure	(104,909)	(116,909)	(12,000)		(12,000)			222,000	Overlap in resourcing CESM role during resignation and recruitment phase.
26	Law, Order & Public Safety	1560172	Community Emergency Services Manager - Rent Expense	Operating Expenditure	(18,200)	(9,200)	9,000	9,000				231,000	Adjust budget due to change in CESM role arrangements
27	Education & Welfare	1620222	Youth Engagement Programs	Operating Expenditure	(10,000)	(16,000)	(6,000)		(6,000)			225,000	Allowance for additional expenditure to enable grant assisted program to proceed
28	Health	1730082	Salaries - Health	Operating Expenditure	(90,081)	(102,081)	(12,000)		(12,000)			213,000	Provision for casual EHO to undertake duties during absence of full time officer
29	Housing	1076002	Hardy Street Site Remediation	Operating Expenditure	(20,000)	(29,000)	(9,000)		(9,000)			204,000	Adjust budget to reflect actual costs incurred in current year for this project
30	Community Amenties	1027303	Domestic Weekly Rubbish Service Income	Operating Income	555,378	565,378	10,000	10,000				214,000	Adjustment to budget to reflect charges for new services requested during the year
31	Community Amenties	1027323	Sanitation Site Fees Income	Operating Income	80,000	90,000	10,000	10,000				224,000	Adjustment to budget to reflect trend in facility use during the year to date
32	Community Amenties	1027353	Sanitation Other Income - Container Deposit Scheme	Operating Income	0	50,000	50,000	50,000				274,000	Budget provision for revenue from 'Containers for Change' scheme
33	Community Amenties	1028002	Refuse Collection Wages Cost - Denmark	Operating Expenditure	(38,922)	(58,922)	(20,000)		(20,000)			254,000	Wages redistribution between A/c 1028002 and A/c 1028102
34	Community Amenties	1028002	Refuse Collection Overheads Cost - Denmark	Operating Expenditure	(62,273)	(95,273)	(33,000)		(33,000)			221,000	Overheads redistribution between A/c 1028002 and A/c 1028102
35	Community Amenties	1028002	Refuse Collection Plant Recovery Costs - Denmark	Operating Expenditure	(41,038)	(53,038)	(12,000)		(12,000)			209,000	Plant Operation Recovery cost redistribution between A/c 1028002 and A/c 1028102
36	Community Amenties	1028102	Refuse Collection Wages Cost - Domestic & Other	Operating Expenditure	(36,676)	(16,676)	20,000	20,000				229,000	Wages redistribution between A/c 1028002 and A/c 1028102

Line	Program	GL Code	Description	Classification	Original Budget \$	Proposed Amended Budget	Increase / (Decrease)	Increase in available Cash	Decrease in available Cash	Non-Cash Item	Back Funded from Reserves	Reviewed Budget Running Balance	Comment
37	Community Amenties	1028102	Refuse Collection Overheads Cost - Domestic & Other	Operating Expenditure	(58,681)	(25,681)	33,000	33,000				262,000	Overheads redistribution between A/c 1028002 and A/c 1028102
38	Community Amenties	1028102	Refuse Collection Plant Recovery - Domestic & Other	Operating Expenditure	(28,766)	(16,766)	12,000	12,000				274,000	Plant Operation Recovery cost redistribution between A/c 1028002 and A/c 1028102
39	Community Amenties	1028312	Waste Disposal Fees (City of Albany)	Operating Expenditure	(195,500)	(215,500)	(20,000)		(20,000)			254,000	Higher tonnage disposals than budgeted - adjustment to budget provision
40	Community Amenties	1028322	Mtce - Denmark Waste Management & Refuse Facility	Operating Expenditure	(86,000)	(66,000)	20,000	20,000				274,000	Transfer some outgoings related to facility resourcing specifically to the CDS
41	Community Amenties	1028322	Container Deposit Scheme - Employee Costs	Operating Expenditure	0	(25,000)	(25,000)		(25,000)			249,000	Employee costs required to resource the CDS collection centre
42	Community Amenties	1028322	Container Deposit Scheme - Other Costs	Operating Expenditure	0	(35,000)	(35,000)		(35,000)			214,000	Provide allocation for costs relating to the CDS including payments for goods received
43	Community Amenties	1040082	Salaries - Planning	Operating Expenditure	(464,929)	(489,929)	(25,000)		(25,000)			189,000	Allowance for additional staff resource to enable processing of high volume of DA's
44	Community Amenties	1047343	Planning Application Fees (GST Applies)	Operating Income	0	10,000	10,000	10,000				199,000	Additional revenue to budget to reflect high volume of development applications trend for year
45	Community Amenties	1047403	Planning Application Fees (GST Exempt)	Operating Income	65,000	90,000	25,000	25,000				224,000	Additional revenue to budget to reflect high volume of development applications trend for year
46	Community Amenties	1060082	Salaries - Sustainability	Operating Expenditure	(69,549)	(54,549)	15,000	15,000				239,000	Savings in salary costs due to recruitment timing for position
47	Recreation & Culture	1110502	Depreciation - Halls	Operating Expenditure	(91,358)	(103,858)	(12,500)			(12,500)		239,000	Adjustment to depreciation estimate (Non-Cash)
48	Recreation & Culture	1130502	Depreciation - Parks etc	Operating Expenditure	(496,094)	(524,094)	(28,000)			(28,000)		239,000	Adjustment to depreciation estimate (Non-Cash)
49	Recreation & Culture	1131022	Our Club - Project Officer	Operating Expenditure	0	(17,000)	(17,000)		(17,000)			222,000	Salary costs for 'Our Clubs' Officer - fully grant funded
50	Recreation & Culture	1137033	Operating Grant Income - Sport & Recreation	Operating Income	8,000	38,000	30,000	30,000				252,000	Grant funding received for 'Our Clubs' development officer position
51	Recreation & Culture	1160113	Income - Gym	Operating Income	60,000	75,000	15,000	15,000				267,000	Additional revenue to budget to reflect high membership take up trend for year
52	Transport	1228103	MRWA Project Grants	Non-Operating Income	1,359,332	1,419,332	60,000	60,000				327,000	Funding for new MRWA project - Peaceful Bay Culverts (2/3rd funding of \$90 K Capex)
53	Transport	1230502	Depreciation - Roads Infrastructure	Operating Expenditure	(2,295,682)	(2,475,682)	(180,000)			(180,000)		327,000	Adjustment to depreciation estimate (Non-Cash)
54	Transport	1491003	Vehicle Inspection Fees	Operating Income	4,000	12,000	8,000	8,000				335,000	Additional revenue to budget to reflect high vehicle inspection services required for year
55	Transport	1497083	Commissions DPI	Operating Income	60,000	72,000	12,000	12,000				347,000	Additional revenue to budget to reflect higher volume of transactions for year
56	Economic Services	1330102	Other Expenses - Building	Operating Expenditure	(5,000)	(15,000)	(10,000)		(10,000)			337,000	Allowance for contracted Building Surveyor services during employee period of leave
57	Economic Services	1337553	Building Licence Fees	Operating Income	46,000	66,000	20,000	20,000				357,000	Additional revenue to budget to reflect high volume of Building Licence applications trend for year
58	Economic Services	1360103	Parry Beach Camping Charges	Operating Income	115,000	127,000	12,000	12,000				369,000	Additional revenue to budget to reflect high volume of bookings trend for year
59	Other Property & Services	1430422	Superannuation - Outside Staff	Operating Expenditure	(166,974)	(180,974)	(14,000)		(14,000)			355,000	Higher than budgeted participation in employee co-contributory superannuation scheme
60	Other Property & Services	1440482	Fuel & Oils	Operating Expenditure	(287,050)	(232,050)	55,000	55,000				410,000	Original budget estimate higher than required - adjusted to match consumption trend
61	Other Property & Services	1440502	Parts & Repairs	Operating Expenditure	(217,136)	(242,136)	(25,000)		(25,000)			385,000	Additional plant repairs required to budget estimate
62	Other Property & Services	1440512	Repair Wages	Operating Expenditure	(95,860)	(125,860)	(30,000)		(30,000)			355,000	Additional resourcing required to budget to undertake DFES vehicle maintenance and other repairs
63	Recreation & Culture	1111154	Public Halls & Civic Centre Buildings Construction	Capital Expenditure (Bldgs)	-\$180,000	(160,000)	20,000	20,000				375,000	Plane Tree Precinct project to be completed under budget - adjustment made
64	Recreation & Culture	1121154	Swimming Areas Infrastructure Construction	Capital Expenditure (Infra)	-\$25,000	(130,000)	(105,000)		(105,000)			270,000	Nornalup Jetty Upgrade - funding application not supported - project re-scoped and re-costed
65	Transport	1220174	MRWA Project Construction	Capital Expenditure (Infra)	-\$126,000	(76,000)	50,000	50,000				320,000	Adjustment to budget - funds reallocated to Job 50362
66	Transport	1220174	MRWA Project Construction	Capital Expenditure (Infra)	-\$650,000	(700,000)	(50,000)		(50,000)			270,000	Adjustment to budget as per Council resolution for tender outcome - funds reallocated from Job 50360
67	Transport	1220174	MRWA Project Construction	Capital Expenditure (Infra)	\$0	(90,000)	(90,000)		(90,000)			180,000	New MRWA funded construction project - Peaceful Bay Road Culverts
68	Transport	1220194	Blackspot Funding Construction	Capital Expenditure (Infra)	-\$59,000	(47,000)	12,000	12,000				192,000	Adjustment to budget - funds reallocated to Job 50626
69	Transport	1220194	Blackspot Funding Construction	Capital Expenditure (Infra)	-\$72,000	(84,000)	(12,000)		(12,000)			180,000	Adjustment to budget - funds reallocated from Job 50625

Current Adopted Budget Surplus Position 30 June 2020

\$ 200,000

763,001 (783,001)

Proposed Amended Budget Surplus Position

\$180,000