

**TOWN OF COTTESLOE**

**STATEMENT OF FINANCIAL ACTIVITY**

**MID YEAR BUDGET REVIEW 2014-2015**

	2014-2015 Budget \$	Amendment \$	2014-15 Revised Budget \$
<b>Operating Revenue</b>			
General Purpose Funding	636,350	(13,000)	623,350
Governance	76,213		76,213
Law, Order and Public Safety	18,980		18,980
Health	80,310		80,310
Education and Welfare	33,036		33,036
Community Amenities	542,035	37,000	579,035
Recreation and Culture	275,936	78,000	353,936
Transport	831,237	(123,000)	708,237
Economic Services	173,759	(35,000)	138,759
Other Property and Services	7,900,600		7,900,600
<b>Total Operating Revenue</b>	<b>10,568,456</b>	<b>(56,000)</b>	<b>10,512,456</b>
<b>Operating Expenditure</b>			
General Purpose Funding	(252,997)		(252,997)
Governance	(801,033)	30,000	(771,033)
Law, Order and Public Safety	(296,826)		(296,826)
Health	(243,946)		(243,946)
Education and Welfare	(219,900)	(10,000)	(229,900)
Community Amenities	(3,375,922)	(8,000)	(3,383,922)
Recreation and Culture	(3,305,252)	(26,000)	(3,331,252)
Transport	(3,027,531)	(10,000)	(3,037,531)
Economic Services	(392,585)	20,000	(372,585)
Other Property and Services	26,481	(100,000)	(73,519)
<b>Total Operating Expenditure</b>	<b>(11,889,511)</b>	<b>(104,000)</b>	<b>(11,993,511)</b>
<b>Adjustments for Non Cash</b>			
(Profit)/Loss on Asset Disposal	(7,900,000)	0	(7,900,000)
Movement in Deferred Pensioners	0	0	0
Movement in Employee Benefit Provisions	0	0	0
Depreciation	2,046,524	0	2,046,524
<b>Total Adjustments for Non Cash</b>	<b>(5,853,476)</b>	<b>0</b>	<b>(5,853,476)</b>
<b>Capital Expense and Revenue</b>			
Additions - Furniture & Equipment	(36,654)		(36,654)
Additions - Land & Buildings	(280,500)	(654,850)	(935,350)
Additions - Plant & Equipment	(339,700)	36,000	(303,700)
Additions - Roads	(300,600)	(18,000)	(318,600)
Additions - Car Parks	0	(50,000)	(50,000)
Additions - Footpaths	(225,250)		(225,250)
Additions - Drainage	(20,150)	(25,000)	(45,150)
Additions - Parks & Reserves	(46,350)	(50,000)	(96,350)
Additions - Miscellaneous	(70,000)	(91,000)	(161,000)
Additions - Street Furniture	(460,000)		(460,000)
Additions - Right of Ways	(72,700)		(72,700)
Additions - Irrigation	(30,800)		(30,800)
Proceeds from Disposal of Assets	8,214,930	532,000	8,746,930
Proceeds from New Loans	0		0
Principal Repayments/Disbursements	(365,759)	(4,170,077)	(4,535,836)
Self Supporting Principal Repayments	35,237		35,237
Advances to Community Groups	0		0
Proceeds of Advances to Community Groups	0		0
Transfer from Reserves	5,000	4,916,077	4,921,077
Transfer to Reserves	(8,360,648)	(370,000)	(8,730,648)
<b>Total Capital Expense and Revenue</b>	<b>(2,353,944)</b>	<b>55,150</b>	<b>(2,298,794)</b>
Opening Surplus / (Deficit)	764,096	428,807	1,192,903
Closing Surplus / (Deficit)	0	112,285	463,957
<b>AMOUNT REQUIRED FROM RATES</b>	<b>(8,764,379)</b>	<b>(140,000)</b>	<b>(8,904,379)</b>

Budget Review 2014/2015

Item	Narration	Operating Revenue Excl Rates	Operating Expenditure	Capital Expenditure	Capital Revenue	Other	Transfers From Reserves	Transfers To Reserves	Surplus	Rates	Account	Narration
		\$		\$	\$	\$	\$	\$	\$	\$		
1	Penalty Interest	12,000									10004.95.15	Interest on outstanding rates
2	FAGS Grant	150,000									10007.89.14/10008.89.14	Extra grant funding
3	Interest Income	(25,000)									10009.65.15	Reduced interest income
4	Interest Income	(150,000)									10009.66.15	Reduced interest income due to delays in the sale of the former Depot
5	Town Planning Fees	30,000									10105.38.12	Increased fees from Town Planning
6	Commercial Waste Fees	15,000									10175.119.12	Increased fees from commercial waste fees
7	Grant Funding	(15,000)									10194.86.11	Grant funding double counted
8	Facility Hire	10,000									10109.46.12	Increased fees from facility hire
9	Reimbursement of Interest from SVGC relating to Note 9					47,500					3006.90.99	Income in advance for the interest forgone by Council in allowing SVGC to pay their portion of the structural repairs \$50K as an extension to their current self supporting loan that expires in 2023
10	Blackspot Job 2013/14	57,000		(18,000)							10131.8.13/41.1048.2.50	Blackspot job (Curtin Avenue) rolled into 2014/15, income and expenditure
11	Parking Revenue	(180,000)									10054.49.12	Parking revenue down
12	LSL Reimbursements	(11,000)	20,000								10153.145.20/20247.30.50	Deferral of long service leave to 2015/2016
13	Building Licence Fees	(40,000)									10155.9.12	Reduced revenue
14	Other Building Fees	16,000									10155.200.12	Increased fees from other building activities/services
15	Staff Training		40,000								20031.29.52	Reduced expenditure on staff training
16	Wages - Administration		(25,000)								20031.130.62	Increased expenditure on staff wages
17	Recruitment		15,000								20031.138.52	Lower staff turnover resulting in reduced recruitment costs
18	Contractors - Administration		50,000								20033.30.50	Less expenditure on contractors
19	Structural Reform		(50,000)								57.9000.975.50	Grant received in 2013/2014 for Councils allocation towards structural reform, therefore included in the surplus brought forward
20	Utility Costs		(10,000)								Various	Utility costs at education sites
21	Waste Collection		0								Various	Waste collection costs tracking lower than budgeted, leave as is and transfer to reserves in June if eventuates
22	Wages - Town Planning		(15,000)								20171.130.62	Extra staffing in Town Planning during first half of year
23	Contractors - Town Planning		(50,000)								20173.30.50	Extra expenditure in Town Planning
24	Town Planning Scheme		10,000								20173.211.50	Less expenditure on the Town Planning Scheme
25	Sustainability Projects	7,000	47,000								Various	Reduced expenditure
26	Audit and Review of NAMP		(18,000)									
27	Events		(8,000)								Various	Increased expenditure Anzac \$4000, Carols \$4000
28	Legal Expenses - Ranger Services		(10,000)									Increased legal expenses in Ranger services
29	Wages - PWO		(60,000)									Increased wages in Engineering services including a payout of entitlements
30	Contractors - PWO		(15,000)									Increased contractors in Engineering services
31	Asset Management Plan		(25,000)									
32	Depot Remediation			(270,000)			270,000				40083.271.21/3.4120.2.50	Extra Capital Expenditure required for the development of the former depot site, funded from a transfer from the Depot Funds Reserve
33	Depot Funds Strategy - Indiana Tearooms - Toilets			(270,000)			270,000				40083.271.21/35.4130.2.50	Indiana Tearooms development funded from the Depot Funds Reserve
34	Depot Funds Strategy - Project Manager			(70,000)			70,000				Various	Employ project manager to manage funds related to Depot Funds Reserve
35	Sea View Golf Club House	50,000		(100,000)							10207.244.72/35.1171.2.50	Extra Capital Expenditure required for the remediation of the concrete cancer at the Seaview Golf Club, funded 50% by an extension of the loan for SVGC and the other 50% funded by the Town
36	Lessor Hall Development			55,150				(30,000)				Move \$25K to operation Asset Management
37	Vehicle Replacement			36,000	(18,000)							Vehicle changeover deferred
38	Sea View Golf Club Car Park	18,000		(50,000)							10189.244.72 - 5.1171.2.50	Car Park Construction/storage bays etc at SVGC, of which \$18K to be funded by the golf club
39	Drainage Construction			(25,000)							10.9000.2	Increased expenditure on Drainage Construction
40	John Black Dune Reserve			(50,000)			50,000				40083.271.21/30.6120.2.50	John Black Dune Reserve funded from the Depot Funds Reserve
41	Sea View Golf Club Storage bays			(41,000)			41,000				43.1171.2	Storage Bays
42	Depot Funds Strategy - Retaining Walls			(50,000)			50,000				43.6080.2/40083.273.21	Transfer from Depot Funds Reserve to start work on renewal of retaining walls at Cottesloe beach
43	Capital Revenue				550,000						40006.105.10	Extra revenue from the disposal of assets
44	Depot Funds Strategy - Pay out loan					(4,170,077)	4,170,077				50021.241.60/40083.273.21	Transfer from Depot Funds Reserve to pay out loan No 107 for Library
45	Transfers from Reserves						(5,000)					Not required due to underspend on projects
46	Transfers To Reserves							(340,000)			50083.273.23	Increased transfers to the Depot Funds Reserve
47	Increased surplus brought forward								428,807			Increase in surplus brought forward
48	Interim Rates									140,000	10002.123.19	Interim rates

(56,000) (104,000) (852,850) 532,000 (4,122,577) 4,916,077 (370,000) 428,807 140,000

**TOWN OF COTTESLOE**  
**RATE SETTING STATEMENT**  
**ANALYSIS OF CHANGE IN BROUGHT FORWARD SURPLUS**

	2014 Forecast \$	2014 Actual \$	2014 Actual \$		
<b>Revenue</b>					
Governance	67,891	134,952	67,061	\$	50,000 Contribution for Structural Reform
General Purpose Funding	421,312	415,975	(5,337)		
Law, Order, Public Safety	26,944	28,239	1,295		
Health	81,400	78,840	(2,560)		
Education and Welfare	34,193	33,285	(908)		
Community Amenities	534,144	577,942	43,798	\$	13,000 Extra fees from commercial waste collection charges
				\$	33,000 Extra fees from Town Planning charges
Recreation and Culture	331,742	367,552	35,810	\$	50,000 Gifted Sculpture
Transport	1,447,004	1,390,118	(56,886)	-\$	57,000 Final blackspot grant not claimed until 2014-2015
Economic Services	194,461	209,285	14,824	\$	12,000 Extra fees ofr building licence applications
Other Property and Services	21,723	4,351	(17,372)	-\$	21,000 Rent from Caretakers Cottage - reclassification
	<u>3,160,814</u>	<u>3,240,539</u>	<u>79,725</u>		
<b>Expenses</b>					
Governance	(600,775)	(694,334)	(93,559)		(94,000) Movement in employee entitlements
General Purpose Funding	(240,477)	(292,904)	(52,427)		(48,000) Valuation expenses
Law, Order, Public Safety	(271,951)	(249,307)	22,644		
Health	(208,928)	(194,226)	14,702		
Education and Welfare	(222,806)	(219,121)	3,685		
Community Amenities	(3,183,901)	(3,119,268)	64,633		85,000 Less expenditure on waste collection services, transfer to reserves??
Recreation and Culture	(3,217,450)	(3,096,490)	120,960		85,000 Depreciation
					45,000 Reduced expenditure on parks
Transport	(2,942,415)	(3,018,721)	(76,306)		(53,000) Increased expenditure on street trees
Economic Services	(325,687)	(306,720)	18,967		
Other Property and Services	6,047	(17,058)	(23,105)		
	<u>(11,208,343)</u>	<u>(11,208,149)</u>	<u>194</u>		
<b>Net Result Excluding Rates</b>	<b>(8,047,529)</b>	<b>(7,967,610)</b>	<b>79,919</b>		
<b>Adjustments for Cash Budget Requirements:</b>					
(Profit)/Loss on Asset Disposals	0	43,161	43,161		
Movement in Deferred Pensioner Rates (Non-Current)	0	3,597	3,597		
Movement in Equity Accounted Joint Ventures	0	21,142	21,142		
Movement in Employee Benefit Provisions (Non-current)	0	104,192	104,192		
Depreciation on Assets	2,082,335	2,074,113	(8,222)		
<b>Capital Expenditure and Revenue</b>					
Purchase Land Held for Resale	(130,000)	(98,984)	31,016		31,000 Timing of money spent on the former depot site
Purchase Land and Buildings	(305,000)	(245,249)	59,751		40,000 Underspend on Civic centre restoration
Purchase Furniture and Equipment	(142,487)	(120,503)	21,984		22,000 Underspend on FOE
Plant and Equipment	(356,156)	(339,056)	17,100		17,000 Savings on plant purchases
Purchase Roads	(553,533)	(527,704)	25,829		26,000 Underspend in road construction
Purchase Footpaths	(614,126)	(610,177)	3,949		
Purchase Drainage	(10,000)	(7,907)	2,093		
Purchase Parks & Ovals	(45,000)	(43,002)	1,998		
Purchase Other Infrastructure	(252,184)	(201,672)	50,512		100,000 No expenditure on the Town Centre
					(50,000) Gifted Sculpture
Purchase Car Parks	(198,296)	(198,295)	1		
Purchase Street Furniture	(139,843)	(139,843)	0		
Purchase Rights of Way	(81,200)	(75,816)	5,384		
Purchase Irrigation	(15,000)	(21,336)	(6,336)		
Proceeds from Disposal of Fixed Assets	178,596	159,599	(18,997)		
Repayment of Debentures	(357,643)	(357,642)	1		
Proceeds from Self Supporting Loans	45,755	45,755	0		
Transfers to Reserves (Restricted Assets)	(60,781)	(73,318)	(12,537)		
Transfers from Reserves (Restricted Assets)	260,673	260,639	(34)		
ADD Estimated Surplus/(Deficit) July 1 B/Fwd	1,005,515	1,005,513	(2)		
LESS Estimated Surplus/(Deficit) June 30 C/Fwd	764,096	1,192,903	428,807		
<b>Total Amount Raised from General Rate</b>	<b><u>(8,500,000)</u></b>	<b><u>(8,503,306)</u></b>	<b><u>(3,306)</u></b>		