



MISSION AND VALUES OF COUNCIL

"A Sustainable Community that is inclusive, attractive, healthy and pleasant to live in, that uses our land so as to preserve our history and environment, respects the rights and equality of our citizens and manages our future growth wisely."

UNCONFIRMED MINUTES

OF THE

AUDIT AND RISK COMMITTEE MEETING

15 MAY 2018

OUR VISION

"A thriving and friendly community that recognises our history and embraces cultural diversity and economic opportunity, whilst nurturing our unique natural and built environment."

OUR MISSION

"To deliver affordable and quality Local Government services."

CORE VALUES OF THE SHIRE

The core values that underpin the achievement of the mission will be based on a strong customer service focus and a positive attitude:

Communication

Integrity

Respect

Innovation

Transparency

Courtesy

DISCLAIMER

The purpose of Council Meetings is to discuss, and where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

Persons should be aware that the provisions of the Local Government Act 1995 (Section 5.25 (e)) establish procedures for revocation or rescission of a Council decision. No person should rely on the decisions made by Council until formal advice of the Council decision is received by that person. The Shire of Broome expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any resolution of Council, or any advice or information provided by a Member or Officer, or the content of any discussion occurring, during the course of the Council meeting.

SHIRE OF BROOME
AUDIT AND RISK COMMITTEE MEETING
TUESDAY 15 MAY 2018
INDEX – MINUTES

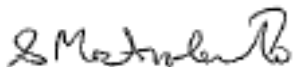
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NOTICE OF MEETING

Dear Council Member,

The next Audit and Risk Committee of the Shire of Broome will be held on Tuesday, 15 May 2018 in the Committee Room, Corner Weld and Haas Streets, Broome, commencing at 3.00pm.

Regards



S MASTROLEMBO
Chief Executive Officer

15/05/2018

**MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING OF THE SHIRE OF BROOME,
HELD IN THE COMMITTEE ROOM, CORNER WELD AND HAAS STREETS, BROOME, ON
TUESDAY 15 MAY 2018, COMMENCING AT 3.00PM.**

1. OFFICIAL OPENING

The Chairman welcomed Councillors and Officers and declared the meeting open at 3.10pm.

2. ATTENDANCE AND APOLOGIES

| | | |
|-------------------|---|--|
| Attendance: | Cr D Male Cr H Tracey Cr C Mitchell | Chairperson (from 3.12pm) |
| Leave of Absence: | Nil | |
| Apologies: | Nil | |
| Officers: | Mr S Mastrolembo Mr J Watt Aletta Nugent Alvin Santiago Rochelle Piggin | Chief Executive Officer Director Corporate Services Director Development and Community (from 3.20pm) Manager Financial Services Manager Governance |

3. DECLARATIONS OF FINANCIAL INTEREST / IMPARTIALITY

| Committee Member | Item No | Item | Nature of Interest |
|------------------|---------|------|--------------------|
| Nil | | | |

4. CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION:

Moved: Cr D Male

Seconded: Cr H Tracey

That the Minutes of the Audit and Risk Committee held on 13 February 2018, as published and circulated, be confirmed as a true and accurate record of that meeting.

CARRIED UNANIMOUSLY 2/0

5. REPORTS OF OFFICERS

Cr Mitchell entered the meeting at 3.12pm.

5.1 AUDIT REGULATION 17 IMPROVEMENT PLAN BIENNIAL PROGRESS REPORT

| | |
|-------------------------|-----------------------------|
| LOCATION/ADDRESS: | Nil |
| APPLICANT: | Nil |
| FILE: | COA01 |
| AUTHOR: | Manager Governance |
| CONTRIBUTOR/S: | Nil |
| RESPONSIBLE OFFICER: | Director Corporate Services |
| DISCLOSURE OF INTEREST: | Nil |
| DATE OF REPORT: | 4 May 2018 |

SUMMARY: The Audit and Risk Committee is presented with a report for review on the progress of the Audit Regulation 17 Improvement Plan (Improvement Plan), which was adopted by Council at the Ordinary Meeting of Council held 23 February 2017. The Improvement Plan contains a list of items identified by the auditors as requiring action to improve the appropriateness and effectiveness of the Shire of Broome's systems and processes in regard to risk management, internal control and legislative compliance.

The Audit and Risk Committee is required to review the Risk Management Improvement Plan prepared by the Audit Regulation 17 Technical Advisory Group, then report to Council on the result of the Committee's review.

This report recommends that incomplete actions from the Risk Management Improvement Plan as outlined within this report be transferred to the organisational Risk Profile Register (Risk Register).

BACKGROUND

Previous Considerations

| | | |
|-----|------------------|------------|
| SMC | 27 June 2014 | Item 9.4.6 |
| OMC | 28 August 2014 | Item 10.2 |
| OMC | 27 November 2014 | Item 10.3 |
| OMC | 2 June 2015 | Item 10.1 |
| OMC | 26 May 2016 | Item 10.3 |
| OMC | 23 February 2017 | Item 10.3 |
| OMC | 25 May 2017 | Item 10.1 |
| OMC | 22 February 2018 | Item 10.4 |

The *Local Government Audit Regulations 1996* (the Regulations) include reviewing the appropriateness and effectiveness of a local government's risk management systems and procedures. Specifically, Audit Regulation 17 (Audit Reg. 17) requires the Chief Executive Officer (CEO) to conduct a review and report the results to the Audit and Risk Committee (Committee) on the effectiveness of risk management, internal control and legislative compliance. The Department of Local Government and Communities *Audit in Local*

Government Guideline No. 9 advises that the review can be undertaken either on an internal or external audit basis.

Initially the Shire of Broome appointed an external auditor to conduct a third party review of organisational practices in accordance with updated legislation contained within Audit Reg. 17. The Audit Reg. 17 Review Audit produced a comprehensive Risk Management Improvement Plan (Improvement Plan) separated into the three main compliance areas; Risk Management (RM), Legislative Compliance (LC) and Internal Controls (IC).

The Shire's Risk Technical Advisory Group (TAG) effect the framework components identified in the Improvement Plan. The TAG enables the Shire to fulfil its responsibilities in relation to reporting on risk management, internal control, and legislative compliance. The Improvement Plan action items contained within the Regulation 17 Review are allocated to members within the TAG and prioritised in accordance with organisational need and capacity. The TAG meets monthly to review and update specific actions contained in the Improvement Plan and report to the Executive Management Group (EMG) and Council.

COMMENT

The biannual report has previously identified actioned items as detailed in the Improvement Plan with a report provided to the Committee in May and November each year, after endorsement by EMG. Due to the Ordinary Local Government election held in October 2017 and appointments to Committees not being considered until the November OMC, the presentation of the biannual report to the Committee was delayed until February 2018. This has meant that it has only been 3 months since this report was last presented. The following indicates action item progress made during this period:

| No | Framework Component Improvements |
|-------|---|
| LC1.1 | Code of Conduct <i>Officer Comment: The Code of Conduct was reviewed and adopted by Council at the OMC held 26 April 2018. To complete this action a Statement of Business Ethics is to be developed for suppliers and contractors with an additional document being developed for Volunteers. These documents will outline the Shire's ethical standards and make clear the expectation of standards that apply in dealings with the Shire.</i> |
| LC2.1 | Purchasing Policy <i>Officer Comment: Whilst no action was required under the Improvement Plan the policy is being reviewed following the release of the revised WALGA Model Purchasing Policy and will be presented to Council. A comprehensive review has also been undertaken of procurement activities and procedures.</i> |

In addition, the TAG reviewed the Improvement Plan and it is proposed that a number of actions be transferred to the organisational Risk Profile Register. This combines the Improvement Plan and Risk Profile Register to provide one reporting tool. By transitioning the Improvement Plan to the Risk Profile Register it ensures continued review of the Risk Profile Register as it focuses on organisational risks. The TAG will continue to identify and prioritise actions from the Risk Profile Register and biannual reports will be presented to the Committee.

The Risk Profile Register is separated into the following areas for the purpose of identifying, monitoring and reporting on progress of actions to address organisational risks including internal controls and legislative compliance.

| Profile / Section | Risk Context |
|--|--|
| Asset Sustainability Practices | Failure or reduction in service of infrastructure assets, plant, equipment or machinery |
| Business and Community Disruption | Failure to adequately prepared and respond to events that cause disruption to the local community and/or normal business activities. This could be a natural disaster, weather event, or an act carried out by an external party |
| Compliance Requirements | Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of inadequate compliance framework |
| Document Management Processes | Failure to adequately capture, store, archive, retrieve, provide or dispose of documentation |
| Employment Practices | Failure to effectively manage and lead human resources |
| Engagement Practices | Failure to maintain effective working relationships with the Community, Stakeholders, Key Private Sector Companies, Government Agencies and/or Elected Members |
| Environment Management | Inadequate prevention, identification, enforcement and management of environmental issues |
| Errors, Omissions and Delays | Error, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process including incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff |
| External Theft and Fraud (inc Cyber Crime) | Loss of funds, assets, data or unauthorised access (whether attempted or successful) by external parties, through any means (including electronic) |
| Management of Facilities/Venues/Events | Failure to effectively manage the day to day operations of facilities, venues and/or events. |
| IT or Communication Systems and Infrastructure | Disruption, financial loss or damage to reputation from a failure of information technology systems |
| Misconduct | Intentional activities intended to circumvent the Code of Conduct or activities in excess of authority, which circumvent endorsed policies, procedures or delegated authority |
| Project/Change Management | Inadequate analysis, design, delivery and/or status reporting of change initiatives, resulting in additional expenses, time delays or scope changes |
| Safety and Security Practices | Non-compliance with the Occupational Safety and Health Act associated regulations and standards. |
| Supplier/Contract Management | Inadequate management of external suppliers, contractors, IT vendors or consultants engaged for core operations. |

For future reporting it is proposed to transfer the following items from the Improvement Plan to the Risk Profile Register, with the first report being presented to the Committee in November. It is intended that the manner in which officers report against Regulation 17 will reflect a more risk based approach in determining our internal controls and legislative compliance and will provide more meaningful risk based reporting to the Committee and Council. Attached is the Risk Dashboard Report which will be provided to the Committee as an attachment to future reports.

Chairperson.....Date.....

| No. | Framework Components |
|--------|---|
| RM2.2 | Insurance Strategy or Policy <i>Officer Comment: Development of an Insurance Strategy or Policy to provide clarity on issues such as the level of self insurance, the adequacy of cover and the basis of the valuation of insured assets. Proposed to be transferred to section 3 of the Risk Register as an outstanding action.</i> |
| RM2.3 | Staff Housing Policy <i>Officer Comment: A review of the Staff Housing policy is in progress. Proposed to be transferred to section 5 of the Risk Register as an outstanding action.</i> |
| RM3.3 | Business Continuity Plan <i>Officer Comment: Draft document requires final review and amendments to ensure suitability and effectiveness. Proposed to be transferred to section 2 of the Risk Register as an outstanding action.</i> |
| RM3.6 | Local Emergency Management Plan 2014 Draft <i>Officer Comment: Following training provided on Managing Recovery Activities the Local Emergency Management Plan is being reviewed and will be tested once finalised. Proposed to be transferred to section 2 of the Risk Register as an outstanding action.</i> |
| RM3.8 | Workforce Plan <i>Officer Comment: The Workforce Plan is under review. Proposed to be transferred to section 5 of the Risk Register as an outstanding action.</i> |
| RM3.12 | Emergency Response Procedures Shire Buildings <i>Officer Comment: Organisational responsibility for this action currently being reviewed. Procedures have been drafted for the Administration Building however require a review following the refurbishment. Proposed to be transferred to section 2 of the Risk Register as an outstanding action.</i> |
| RM3.14 | Information System Plans <i>Officer Comment: Interim solution by relocating a replica of our current system to the Civic Centre. The backup is then copied offsite on a continuous basis. The development of Information System Plans will be considered as part of the Business Continuity Plan. Proposed to be transferred section 11 of the Risk Register as an outstanding action.</i> |
| RM3.15 | Volunteer and Contractor Inductions <i>Officer Comment: LGIS contractor inductions completed, and future inductions will be conducted as required. Online staff contractor and volunteer inductions to be developed. Proposed to be transferred to section 14 of the Risk Register as an outstanding action.</i> |
| RM4.2 | Monitoring Compliance <i>Officer Comment: As this is ongoing it is proposed to be transferred to section 3 of the Risk Register Controls to ensure continual monitoring.</i> |
| RM5.2 | Risk Management Training <i>Officer Comment: Risk Management Training funds assigned through annual budget process for 17/18. As this requires annual consideration it is proposed to be transferred to section 5 of the Risk Register Controls.</i> |
| LC1.1 | Code of Conduct <i>Officer Comment: A Statement of Business Ethics is to be developed for suppliers and contracts and a further document developed for Volunteers. Proposed to transfer document for Volunteers to section 3 and Statement of Business Ethics for business and service providers to section 15 of the Risk Register as outstanding actions.</i> |
| LC2.1 | Purchasing Policy <i>Officer Comment: As previously indicated the purchasing policy is currently</i> |

| | |
|-------|---|
| | <i>being reviewed following the release of the WALGA Model Purchasing Policy. Proposed to transfer to section 3 of the Risk Register.</i> |
| LC3.1 | Communications <i>Officer Comment: This action relates to the obligation for contractors and volunteers to report compliance breaches. Proposed to transfer to section 3 of Risk Register as an outstanding action.</i> |
| IC2.3 | Internal Audit <i>Officer Comment: As the level of documented procedures increases, an expanded internal audit function to confirm adherence to documented policies and procedures may be required. Proposed to be transferred to section 3 of the Risk Register to enable monitoring.</i> |
| IC3.3 | Documented Procedures <i>Officer Comment: Standard operating procedures exist for selected, but not all, financial procedures. Procedure documentation is being developed by officers where it does not currently exist. Proposed to be transferred to section 4 of the Risk Register to monitor completion.</i> |
| IC3.9 | Workflow Diagrams <i>Officer Comment: In conjunction with the development of documented procedures and checklists, development of workflow diagrams may assist in clearly identifying controls and processes to be followed. Proposed to be transferred to section 4 of the Risk Register to enable monitoring.</i> |
| IC4.1 | Monitoring <i>Officer Comment: December 2016 review completed by external consultant. While internal review is recommended current resources do not permit the development of an internal audit function. An external consultant will provide a biennial review as per the Audit Reg 17 regulations with ongoing risk management functions monitored by the Risk TAG. Next external audit review December 2018. Proposed to be transferred to section 3 of the Risk Register to enable monitoring.</i> |

CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government (Audit) Regulations 1996

16. Audit committee, functions of

An audit committee —

- (a) is to provide guidance and assistance to the local government —
 - (i) as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and
 - (ii) as to the development of a process to be used to select and appoint a person to be an auditor;
- and
- (b) may provide guidance and assistance to the local government as to —
 - (i) matters to be audited; and
 - (ii) the scope of audits; and
 - (iii) its functions under Part 6 of the Act; and
 - (iv) the carrying out of its functions relating to other audits and other matters related to financial management; and

- (c) *is to review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to —*
 - (i) *report to the council the results of that review; and*
 - (ii) *give a copy of the CEO's report to the council.*

17. CEO to review certain systems and procedures

- (1) *The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —*
 - (a) *risk management; and*
 - (b) *internal control; and*
 - (c) *legislative compliance.*
- (2) *The review may relate to any or all of the matters referred to in subregulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review at least once every 2 calendar years.*
- (3) *The CEO is to report to the audit committee the results of that review.*

POLICY IMPLICATIONS

- 2.1.1 Legislative Compliance
- 2.1.4 Risk Management
- 2.2.1 Internal Controls

FINANCIAL IMPLICATIONS

The Shire has received membership funds from the Local Government Insurance Scheme (LGIS) which has been allocated as a genuine rollover to fund organisational Risk Initiatives.

The financial implications of actioning individual items contained in the Risk Register will be implemented using existing, internal resources. If any additional resources are required they will be progressed via the quarterly Finance and Costing Review or presented to Council for consideration.

STRATEGIC IMPLICATIONS

Our People Goal – Foster a community environment that is accessible, affordable, inclusive, healthy and safe:

Effective communication

Affordable services and initiatives to satisfy community needs

Accessible and safe community spaces

A healthy and safe environment

Our Prosperity Goal – Create the means to enable local jobs creation and lifestyle affordability for the current and future population:

Affordable and equitable services and infrastructure

Our Organisation Goal – Continually enhance the Shire’s organisational capacity to service the needs of a growing community:

An organisational culture that strives for service excellence

Sustainable and integrated strategic and operational plans

Responsible resource allocation

Effective community engagement

Improved systems, processes and compliance

VOTING REQUIREMENTS

Simple Majority

COMMITTEE RESOLUTION:
(REPORT RECOMMENDATION)

Moved: Cr H Tracey

Seconded: Cr C Mitchell

That the Audit and Risk Committee recommends that Council:

- 1. Notes the progress on Improvement Plan actions as contained within the report;***
- 2. Endorses the transition from the Audit Regulation 17 Improvement Plan to the Risk Profile Register as detailed for future reporting; and***
- 3. Notes a Risk Dashboard Report will be presented to subsequent Audit and Risk Committee Meetings.***

CARRIED UNANIMOUSLY 3/0

Attachments

1. Risk Dashboard Report

Shire of Broome Risk Dashboard Report

| <u>Asset Sustainability practices</u> | | Risk | Control | |
|--|----------|--------------------|----------|--|
| | | Moderate | Adequate | |
| Actions / Treatments | Due Date | Responsibility | | Status of Actions / Treatments |
| All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register | | | | |
| | | | | |
| <u>Business & Community disruption</u> | | Risk | Control | |
| | | High | Adequate | |
| Actions / Treatments | Due Date | Responsibility | | Status of Actions / Treatments |
| RM 2.2 Insurance Strategy or Policy be developed to provide clarity on issues such as the level of self-insurance, the adequacy of cover and the basis of the valuation of the insured assets. | Nov-18 | Manager Governance | | Draft document to be developed for presentation to the Audit and Risk Committee November 2018. |
| RM 3.3 Finalise & communicate Business Continuity policy, procedures & plans | Nov-18 | DCS | | Under review - to be presented to Audit Committee in November. |

| | | | |
|---|--------|---------|---|
| RM 3.6 Local Emergency Management Arrangements & recovery plans | Nov-18 | MHER | Following training provided on Managing Recovery Activities the Local Emergency Management Plan is being reviewed and will be tested once finalised. The current plan is compliant with the legislation. It is however considered inadequate by officers. Grant funding requests have been made to obtain a fixed term officer to assist in this project. |
| RM 3.12 Emergency Response Procedures – Shire Buildings | Nov-18 | MCED/WC | Update required for procedures at the Admin Centre, Depot and Waste Management Facility. Procedures have been drafted for Admin building however require reviewing following administration office refurbishment Civic Centre – emergency response and evacuation plan in existence – to be updated to reflect cyclone procedures. |
| RM 3.14 Information Systems Plans | Nov-18 | MIS | No IT Disaster Recovery Plan or IT Security Plan are in place. Interim protection by relocating a replica of our current system to the civic centre. The backup is then copied offsite on a continuous basis. The replica is working and we also now have a GenSet to maintain power. This has been tested and passed |

| | | | |
|--|--|------------|--|
| <i>RM 3.3 BCP - That, as high priority, an effective documented Business Continuity Plan be developed including relevant disaster recovery plans. That, once adopted, the Plan's effectiveness be tested</i> | <i>April-18 for doc. Nov-18 for exercise</i> | <i>DCS</i> | <i>Draft document still requires final review and amendment to ensure suitability and effectiveness. Presented to Audit and Risk Committee May 2018. Mock Exercise undertaken 16 June 2016. Further procedures required to ensure detailed operational testing is undertaken annually by responsible departments i.e. ICT, Health etc.</i> |
|--|--|------------|--|

| <u>Failure to fulfil Compliance requirements (statutory, regulatory)</u> | | Risk | Control |
|--|----------|----------------|---|
| | | Moderate | Adequate |
| Actions / Treatments | Due Date | Responsibility | Status of Actions / Treatments |
| LC 1.1 Code of Conduct | Apr-18 | MG | Code of Conduct reviewed and adopted by Council at the OMC held 26 April 2018. Volunteers and contractors are not bound by a Code of Conduct when performing functions on behalf of the Shire. Separate documents to be developed for Volunteers and business and service providers. These have been identified as separate actions on this register. |
| LC 1.1 Code of Conduct or similar to be developed for Volunteers | Nov-18 | MPC | Being developed with MPC. |
| LC 2.1 Purchasing Policy | Apr-18 | SPRGO | No action required based on WALGA email advice dated 2 May 2017, however policy under review in line with release of revised WALGA Purchasing Policy Template. |
| LC 3.1 Communications - ensure staff, contractors and regular volunteers are aware of their obligation to report breaches of legislation to the appropriate Officer. | May-17 | MPC | The Shire's current process is undertaken through OSH reporting and the onsite induction process. Staff Survey conducted in Dec 17 confirms employees are aware of OSH reporting and induction process. Further works to be Included in the Shire's corporate contractor induction process pending finalisation. |

| | | | |
|---|---------------|-----------------|--|
| <i>IC 2.1 Management Policy - internal control framework be developed reflecting a risk based approach to internal controls and providing the monitoring and reporting systems.</i> | <i>Nov-18</i> | <i>Risk TAG</i> | <i>Internal Control Framework developed and in operation however leaving open until process is firmly established and embedded across organisation. Framework to be presented to Audit and Risk Committee November 2018.</i> |
| <i>IC 2.3 Internal audit - as the level of documented procedures increases, an expanded internal audit function to confirm adherence to documented policies and procedures may be required.</i> | <i>Dec-18</i> | <i>DCS</i> | <i>Currently, no internal auditors have been appointed, and limited internal audit functions have been undertaken. The Senior Procurement, Risk and Governance Officer will coordinate an internal audit.</i> |

| <u>Document Management processes</u> | | Risk | Control |
|--|------------------------------|----------------|---|
| | | Moderate | Adequate |
| Actions / Treatments | Due Date | Responsibility | Status of Actions / Treatments |
| <i>IC 3.3 Opportunity exists to improve and document standard operating procedures with key controls clearly identified. Once these procedures are developed and implemented, they require constant monitoring for adherence and efficiency.</i> | <i>November 17 - Ongoing</i> | <i>DCS</i> | <i>Standard operating procedures exist for selected, but not all, financial procedures. Procedure documentation is being developed by officers where it does not currently exist.</i> |
| <i>IC 3.9 workflow diagrams - In conjunction with the development of documented procedures and checklists, development of workflow process diagrams may assist in clearly identifying controls and processes to be followed.</i> | <i>Apr-19</i> | <i>DCS</i> | <i>Workflow diagrams have not been compiled.</i> |

| <u>Employment practices</u> | | Risk | Control |
|--|----------------------------|---------------------|---|
| | | High | Not Rated |
| Actions / Treatments | Due Date | Responsibility | Status of Actions / Treatments |
| <i>RM 2.3 Staff Housing Policy</i> | <i>Apr-18</i> | <i>DCS > MPC</i> | <i>Policy requires rework and will be reviewed and presented to MCG, EMG and Council at the April OMC. BOP has been reviewed and issues surrounding Staff Housing Bonds have been addressed.</i> |
| <i>RM 3.8 Workforce Plan</i> | <i>Nov-18</i> | <i>MPC</i> | <i>The Workforce Plan is under review and will incorporate feedback. Please note organisational risks have been identified in the external analysis section 2.1.1-2.1.15 and internal analysis section 3.3.1 -3.3.14 and again in Workforce Planning 4.1.1 page 47. In order to satisfy the auditors, the risk section will itemise the known risks under 4.5.9 organisational risk management. CBP adopted December 2017; Organisational survey completed and will be used to form the basis of the next review.</i> |
| <i>RM 5.2 Risk management training be available to elected members and all senior staff undergo relevant risk management training.</i> | <i>November - Annually</i> | <i>DCS</i> | <i>Risk Management Training funds assigned through annual budget process for 17/18 however may be deferred due to vacancies in HR department.</i> |

| <u>Engagement practices</u> | | Risk | Control |
|--|----------|----------------|--------------------------------|
| | | Moderate | Adequate |
| Actions / Treatments | Due Date | Responsibility | Status of Actions / Treatments |
| All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register | | | |
| | | | |
| <u>Environment management</u> | | Risk | Control |
| | | Moderate | Adequate |
| Actions / Treatments | Due Date | Responsibility | Status of Actions / Treatments |
| All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register | | | |
| | | | |
| <u>Errors, omissions & delays</u> | | Risk | Control |
| | | Moderate | Adequate |
| Actions / Treatments | Due Date | Responsibility | Status of Actions / Treatments |
| All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register | | | |

| | | | | |
|--|----------|----------------|----------|---|
| <u>External theft & fraud (Inc. Cyber Crime)</u> | | Risk | Control | |
| | | Moderate | Adequate | |
| Actions / Treatments | Due Date | Responsibility | | Status of Actions / Treatments |
| All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register | | | | |
| | | | | |
| <u>Management of Facilities / Venues / Events</u> | | Risk | Control | |
| | | Moderate | Adequate | |
| Actions / Treatments | Due Date | Responsibility | | Status of Actions / Treatments |
| All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register | | | | |
| | | | | |
| <u>IT or communication systems and infrastructure</u> | | Risk | Control | |
| | | Moderate | Adequate | |
| Actions / Treatments | Due Date | Responsibility | | Status of Actions / Treatments |
| RM 3.14 Information Systems Plans | Nov-18 | MIS | | No IT Disaster Recovery Plan or IT Security Plan are in place. Interim protection by relocating a replica of our current system to the civic centre. The backup is then copied offsite on a continuous basis. The replica is working and we also now have a GenSet to maintain power. This has been tested and passed |

| | | | | |
|---|-----------------|-----------------------|-----------------|--|
| <u>Misconduct</u> | | Risk | Control | |
| | | Moderate | Adequate | |
| Actions / Treatments | Due Date | Responsibility | | Status of Actions / Treatments |
| <i>All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register</i> | | | | |
| | | | | |
| <u>Project / Change management</u> | | Risk | Control | |
| | | Moderate | Adequate | |
| Actions / Treatments | Due Date | Responsibility | | Status of Actions / Treatments |
| <i>All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register</i> | | | | |
| | | | | |
| <u>Safety and Security practices</u> | | Risk | Control | |
| | | High | Adequate | |
| Actions / Treatments | Due Date | Responsibility | | Status of Actions / Treatments |
| <i>RM 3.15 - Volunteer and Contractor Inductions</i> | <i>Nov-18</i> | <i>MPC</i> | | <i>LGIS contractor inductions complete. Will be conducted as required. Volunteer inductions to be developed.</i> |

| <u>Supplier / Contract management</u> | | Risk | Control |
|--|----------|----------------|--------------------------------|
| | | Moderate | Adequate |
| Actions / Treatments | Due Date | Responsibility | Status of Actions / Treatments |
| All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register | | | |

5.2 3RD QUARTER FINANCE AND COSTING REVIEW 2017-18

| | |
|--------------------------------|--------------------------------|
| LOCATION/ADDRESS: | Nil |
| APPLICANT: | Nil |
| FILE: | FRE02 |
| AUTHOR: | Manager Financial Services |
| CONTRIBUTOR/S: | Coordinator Financial Services |
| RESPONSIBLE OFFICER: | Director Corporate Services |
| DISCLOSURE OF INTEREST: | Nil |
| DATE OF REPORT: | 7 May 2018 |

SUMMARY: The Audit Committee is requested to consider results of the 3rd Quarter Finance and Costing Review (FACR) of the Shire's budget for the period ended 31 March 2018, including forecast estimates and budget recommendations to 30 June 2018.

BACKGROUNDPrevious Considerations

| | |
|----------------------|------------|
| OMC 29 June 2017 | Item 9.4.4 |
| OMC 19 Oct 2017 | Item 9.4.3 |
| OMC 22 February 2018 | Item 10.4 |

Quarter 3 Finance and Costing Review

The Shire of Broome has carried out its 3rd Quarter Finance and Costing Review (FACR) for the 2017/18 Financial Year. This Review of the 2017-2018 Annual Budget is based on actuals and commitments for the first nine months of the year from 1 July 2017 to 31 March 2018, and forecasts for the remainder of the financial year.

This process aims to highlight over and under expenditure of funds for the benefit of Executive and Responsible Officers to ensure good fiscal management of their projects and programs.

Once this process is completed, a report is compiled identifying budgets requiring amendments to be adopted by Council. Additionally, a summary provides the financial impact of all proposed budget amendments to the Shire of Broome's adopted end-of-year forecast, in order to assist Council to make an informed decision.

It should be noted that the 2017/2018 annual budget was adopted at the Ordinary Meeting of Council on 29 June 2017 as a balanced budget. There have been further amendments adopted by Council as part of the Annual Financial Statements for the use of additional carried forward surplus and as part of 1st Quarter FACR. The result of all amendments prior to the 2nd Quarter FACR is \$113,897 deficit upon the Shire of Broome's forecast end of year position.

At the March OMC, Council approved a budget amendment of \$22,500 for renewal of drainage in the Broome Townsite, leaving a final deficit of \$136,397 forecast end-of-year position.

COMMENT

The 3rd Quarter FACR commenced on 24 January 2018. The FACR process has identified, through careful scrutiny, a **surplus of \$500,400** and net organisational **savings of \$360,892**.

It is recommended that any surplus funds identified as Organisational Savings throughout the FACR process be quarantined to reserve. This amounts to \$360,892 for the quarter ended March 2018.

The results from this process, coupled with the current \$136,397 deficit, indicate a **surplus** forecast financial position to 30 June 2018 of **\$3,111** should Council approve the proposed budget amendments and transfers to Reserve.

It should also be noted that this figure represents a budget forecast should all expenditure and income occur as expected. It does not represent the actual end-of-year position which can only be determined as part of the normal Annual Financial processes at the end of the financial year.

A comprehensive list of accounts (refer to Attachment 1) has been included for perusal by the committee and summarised by Directorate.

A summary of the results follows:

| SHIRE OF BROOME SUMMARY REPORT | | | | | | |
|--|--|--|--|---|---|--|
| BUDGET IMPACT | | | | | | |
| | 2017/18 Adopted Budget (Income) / Expense | FACR Q3 Overall (Income) / Expense (Org Savings not subtracted) | FACR Q3 Org. Savings (by Department) | FACR Q3 Impact (Income) / Expense (Org Savings subtracted) | YTD Adopted Budget Amendments (Income) / Expense | YTD Impact (Organisational Savings Subtracted) |
| Executive - Total | 0 | (121,230) | (119,730) | (1,500) | 0 | (1,500) |
| Corporate Services - Total | 0 | (122,354) | (103,575) | (18,779) | (14,825) | (33,604) |
| Economic & Development - Total | 0 | 48,331 | 59,000 | (10,669) | 5,853 | (4,816) |
| Infrastructure Services - Total | 0 | (305,147) | (196,587) | (108,560) | 122,869 | 14,309 |
| Impact of Council approved budget amendments | 0 | 0 | 0 | 0 | 22,500 | 22,500 |
| Net impact of Organisation Savings/Expenditure | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0,000* | (500,400) | (360,892) | (139,508) | 136,397† | (3,111) |

CONSULTATION

All amendments have been proposed after consultation with Executive and Responsible Officers at the Shire.

STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulation 1996

r33A. Review of Budget

- (1) Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.
- (2A) The review of an annual budget for a financial year must —
 - (a) consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and
 - (b) consider the local government's financial position as at the date of the review; and

- (c) review the outcomes for the end of that financial year that are forecast in the budget.
- (2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.
- (3) A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.

*Absolute majority required.

- (4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

Local Government Act 1995

6.8. Expenditure from municipal fund not included in annual budget

- 1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —
 - (a) is incurred in a financial year before the adoption of the annual budget by the local government;
 - (b) is authorised in advance by resolution*; or
 - (c) is authorised in advance by the mayor or president in an emergency.
- (1a) In subsection (1) —
 - “additional purpose” means a purpose for which no expenditure estimate is included in the local government’s annual budget.

POLICY IMPLICATIONS

2.1.1 Materiality in Financial Reporting

It should be noted that according to the materiality threshold set in Policy 2.1.1 Materiality in Financial Reporting, should a deficit achieve 1% of Shire’s operating revenue (\$376,296) the Shire must formulate an action plan to remedy the over expenditure.

FINANCIAL IMPLICATIONS

The **net result** of the 3rd Quarter FACR estimates is a **budget surplus position of \$3,111** to 30 June 2018 with organisational **savings of \$360,892**.

RISK

The Finance and Costing Review (FACR) seeks to provide a best estimate of the end-of-year position for the Shire of Broome at 30 June 2018. Contained within the report are recommendations of amendments to budgets which have financial implications on the estimate of the end-of-year position.

The review does not, however, seek to make amendments below the materiality threshold unless strictly necessary. The materiality thresholds are set at \$10,000 for operating budgets and \$20,000 for capital budgets. Should a number of accounts exceed their budget within these thresholds, it poses a risk that the predicted final end-of-year position may be understated.

In order to mitigate this risk, the CEO enacted the FACRs to run quarterly and executive examine each job and account to ensure compliance. In addition, the monthly report provides variance reporting highlighting any discrepancies against budget.

It should also be noted that should Council decide not to adopt the recommendations, it could lead to some initiatives being delayed or cancelled in order to offset the additional expenditure associated with running the Shire's operations.

STRATEGIC IMPLICATIONS

Our People Goal – Foster a community environment that is accessible, affordable, inclusive, healthy and safe:

Effective communication

Affordable services and initiatives to satisfy community need

Our Prosperity Goal – Create the means to enable local jobs creation and lifestyle affordability for the current and future population:

Affordable and equitable services and infrastructure

Key economic development strategies for the Shire which are aligned to regional outcomes working through recognised planning and development groups/committees

Our Organisation Goal – Continually enhance the Shire's organisational capacity to service the needs of a growing community:

An organisational culture that strives for service excellence

Sustainable and integrated strategic and operational plans

Responsible resource allocation

Improved systems, processes and compliance

VOTING REQUIREMENTS

Absolute Majority

COMMITTEE RESOLUTION: **(REPORT RECOMMENDATION)**

Moved: Cr D Male

Seconded: Cr H Tracey

That the Audit and Risk Committee recommends that Council:

- 1. Receive the 3rd Quarter Finance and Costing Review Report for the period ended 31 March 2018;***
- 2. Adopts the operating and capital budget amendment recommendations for the period ended 31 March 2018 as attached;***
- 3. Notes a forecast end-of-year position to 30 June 2018 of a \$3,111 surplus position;***
- 4. Approves a budget transfer to the Public Open Space Reserve of \$353,892 to quarantine potential surplus funds at the end of the financial year; and***
- 5. Approves a budget transfer to the Equipment Reserve of \$7,000 to quarantine potential surplus funds at the end of the financial year.***

| |
|--|
| <i>CARRIED UNANIMOUSLY BY ABSOLUTE MAJORITY 3/0</i> |
|--|

Attachments

- 1. Finance & Costing Review Report

| SHIRE OF BROOME SUMMARY REPORT | | | | | | |
|--|---|--|--|---|---|--|
| BUDGET IMPACT | | | | | | |
| | 2017/18 Adopted Budget (Income) / Expense | FACR Q3 Overall (Income) / Expense (Org Savings not subtracted) | FACR Q3 Org. Savings (by Department) | FACR Q3 Impact (Income) / Expense (Org Savings subtracted) | YTD Adopted Budget Amendments (Income) / Expense | YTD Impact (Organisational Savings Subtracted) |
| Executive - Total | 0 | (121,230) | (119,730) | (1,500) | 0 | (1,500) |
| Corporate Services - Total | 0 | (122,354) | (103,575) | (18,779) | (14,825) | (33,604) |
| Economic & Development - Total | 0 | 48,331 | 59,000 | (10,669) | 5,853 | (4,816) |
| Infrastructure Services - Total | 0 | (305,147) | (196,587) | (108,560) | 122,869 | 14,309 |
| Impact of Council approved budget amendments | 0 | 0 | 0 | 0 | 22,500 | 22,500 |
| Net impact of Organisation Savings/Expenditure | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0,000* | (500,400) | (360,892) | (139,508) | 136,397† | (3,111) |

*Council adopted the annual budget with a predicted end-of-year balanced budget, which included previous year carried forward surplus

**Please note that should the Forecast budget predict a deficit greater than 1% of budgeted operating revenue excluding grants and contributions for assets, and profit on sale of assets (\$348,358), an action plan to remedy the situation will be prepared in accordance with Finance Policy 2.1.1

† Includes all additional Council adopted budget amendments year-to-date, including any previous FACRs

| IMPACT ON RESERVES | | |
|--------------------------|--|---|
| | Accumulated Reserve Balance (excluding Restricted Cash Reserve, Refuse Reserve & RRRP Reserve) | Accumulated Reserve Balance (Refuse & RRRP Reserve only) |
| Opening Balance | 16,175,891 | 13,169,011 |
| Amended Budget Movements | (1,540,835) | 1,191,349 |
| FACR Amendments | 336,882 | (430,000) |
| Closing Balance | 14,971,938 | 13,930,360 |

SHIRE OF BROOME FINANCE & COSTING REVIEW QUARTER 3

| Account | Job | Description | 2017/18 Current Budget | 2017/18 YTD Actuals | Proposed Budget Amendment | Proposed Budget | Reserve Movement | Amendment Description | Org. Savings / Expense |
|--|--------|--|------------------------|---------------------|---------------------------|-----------------|------------------|--|------------------------|
| EXECUTIVE | | | | | | | | | |
| ADMIN1 - Chief Executive Officer - S Mastrolemo | | | | | | | | | |
| 22125 | | WARCA (WA Regional Capitals Alliance) - Op Exp - Other Governance | 55,000 | 15,500 | (25,000) | 30,000 | | Savings due to non-attendance at meetings | (25,000) |
| 22230 | | Legal Exps Op Exp - Other Governance | 67,215 | 98,107 | 34,800 | 102,015 | | Increased legal expenses due ER issues. Corresponding Insurance reimbursement in Account 22117 \$46k; Purchase order (80779) - Industrial Solicitor- closed, -\$5200 | 34,800 |
| 22117 | | Reimbursements & Donations No GST Op Inc - Other Governance | - | (500) | (46,345) | (46,345) | | RO: BC - Media And Promotions Officer: Increased legal expenses due ER issues - Insurance reimbursement. Exp in Account 22230 | (46,345) |
| 22129 | | Kimberley Zone - Zone & RCG Meeting Expenses - Op Exp | - | - | 26,000 | 26,000 | | RO: KRCG - Kimberley Regional Collaborative Group Secretariat - POSITION GONE: Cost of secretariat responsibilities from 1 January 2018 to 30 June 2018 estimated at \$1,000 per week for 26 weeks. | |
| 23013 | | Kimberley Zone - Reimbursement Zone & RCG Meetings Expenses - Op Inc | - | - | (26,000) | (26,000) | | RO: KRCG - Kimberley Regional Collaborative Group Secretariat - POSITION GONE: Associated reimbursement of secretariat costs from 1 January 2018 to 30 June 2018. | |
| | | | | | (36,545) | | - | | (36,545) |
| ADMIN2 - Personal Assistant To CEO - L Berkrey | | | | | | | | | |
| 22120 | | Naturalisation Ceremonies - Op Exp - Other Governance | 5,000 | - | (4,000) | 1,000 | | Savings | (4,000) |
| | | | | | (4,000) | | - | | (4,000) |
| BC - Media And Promotions Officer - S Penn | | | | | | | | | |
| 23016 | | Promotions Exp - Op Exp - Other Governance | 41,178 | 11,776 | (5,000) | 36,178 | | Re-stock of corporate gifts to occur in fourth quarter 2017/18. No Expo this year as Infrastructure cancelled annual native plant giveaway. | (5,000) |
| 23029 | | Community Communication Plan - Other Gov | 50,000 | - | (50,000) | - | | Council request to postpone plan until full review of strategic community plan (Council Workshop - April 17) | (50,000) |
| | | | | | (55,000) | | - | | (55,000) |
| CS3 - Manager People and Culture - R Sharland | | | | | | | | | |
| 142008 | | Relieving Staff Exp - HR | 13,133 | 9,559 | (4,519) | 8,614 | | Purchase order(81949) - HR Labour Hire closed/completed. \$4519 | (4,519) |
| 142043 | | Organisational Training - General | 265,870 | 165,094 | (19,666) | 246,204 | | Savings projected to the end of financial year | (19,666) |
| 142481 | | HR Operating Grants Rec'd - Op Inc - Gen Admin | - | (1,364) | (1,500) | (1,500) | | Trainee Education grant | |
| | | | | | (25,685) | | - | | (24,185) |
| ES7 - Special Projects Coordinator - J Macmath | | | | | | | | | |
| 116125 | 116131 | Broome Trails Signage New - Cap Exp - Other Cult | 51,700 | - | (51,700) | - | | RO: BRAC1 - Manager Sport & Recreation: No external funding options available. \$26,700 Muni, \$25K grant. Reallocate muni component to 1181420. | |

| Account | Job | Description | 2017/18 Current Budget | 2017/18 YTD Actuals | Proposed Budget Amendment | Proposed Budget | Reserve Movement | Amendment Description | Org. Savings / Expense |
|---|---------|--|------------------------|---------------------|---------------------------|-----------------|------------------|---|------------------------|
| 1181420 | YBRA001 | Youth Bike Recreation Area - New Construction - Cap Exp | 200,000 | - | 26,700 | 226,700 | | RO: BRAC1 - Manager Sport & Recreation: Transfer of funds from 116131 - Chinatown to Cable Beach Trail - Full stage 1 committed for detailed design. New funding Breakdown - \$85K DSR, \$131,830 Muni, \$9,870 restricted cash | |
| 113403 | | Grants - Non Op - Cap Inc - Other Rec & Sport | (3,620,000) | - | (3,765,000) | (7,385,000) | | \$4.5M Revetment Wall grant (EXP Acct 1181401); \$2.8M Greenspace & waterpark grant (Exp Acct 1181405); Youth Bike Precinct (Exp Acct YBRA001) \$45K Lotterywest not approved, Increased DSR small grant from \$60K to \$85K as per approval. | |
| 1181401 | | Town Beach Redevelopment -Other Infra New - Cap Exp | 6,982,506 | 74,393 | (2,482,506) | 4,500,000 | | Budget removed to only recognise revetment wall. Greenspace & waterpark not expensed from 1181405. Project now fully funded by \$4.5M Redevelopment grant in account 113403 | |
| 1181405 | | Town Beach Redevelopment - Greenspace & Waterpark - Cap Exp | - | - | 3,891,453 | 3,891,453 | | Town Beach Redevelopment - Greenspace and Waterpark - Funded by \$2.8M Lotterywest Grant (113403) & \$1,091,453 of original Muni budget (originally \$1,129,774) as part of 1181401 | |
| 113489 | | Transfer From POS Reserve - Other Rec & S | (400,000) | - | 400,000 | - | 400,000 | RO: BA - Coordinator Financial Services: Reserves funds no longer required for Town Beach Project due to additional grant funding | |
| 113406 | | Council Loans Received - Other Rec & Sport | (1,956,053) | - | 1,956,053 | - | | RO: BA - Coordinator Financial Services: No loan has been applied for at this stage and is not expected to be required | |
| 116151 | | Non Operating Grants Other Culture - Non Op Inc | (91,636) | (66,636) | 25,000 | (66,636) | | Lotterywest grant for Broome Trails not approved. Project removed | |
| 1367209 | | Phone & PC - Op Exp - Economic Services Special Projects | 360 | 872 | 1,000 | 1,360 | | \$97/month to finish yr. | |
| 1367211 | | CIDC Led Initiatives - Op Exp - Economic Services Special Projects | 3,010,315 | 155,309 | (256,000) | 2,754,315 | | For late night trading and other initiatives. Exact 18/19 budget to be resolved through endorsement of activity calendar at May Steering Committee meeting. | |
| 1367220 | ELP2018 | 2018 Community Grants - Op Exp | - | - | 95,000 | 95,000 | | Expected grant funds to be released \$55k this financial year. The remainder to be carried over | |
| 1367220 | ELP2017 | 2017 Community Grants - OP Exp | - | - | 62,000 | 62,000 | | 2017 grants completed. | |
| 1367220 | ELP100 | Laneway Enhancement Strategies - Op Exp | - | - | 24,000 | 24,000 | | For development of place management plan. \$24k in 17/18 , \$9k in 18/19 | |
| 1367231 | | CIDC Activation Grants - Op Exp - Economic Services Special Projects | - | - | 75,000 | 75,000 | | \$35k to be spent in 17/18. Remainder to be carried over | |
| 1367302 | | Fees & Charges - Op Inc - Economic Services Special Projects | - | (545) | (1,000) | (1,000) | | \$1k expected by end of year. Hive handmade April 2018 | |
| | | | | | - | | 400,000 | | - |
| OVERALL EXECUTIVE - DEPT. SAVINGS/EXPENSE | | | | | (121,230) | | | EXECUTIVE - ORG. SAVINGS/EXPENSE | (119,730) |
| RESERVE MOVEMENT - EXECUTIVE | | | | | | | 400,000 | | |
| EXECUTIVE - NET IMPACT (EXC. ORG.SAVINGS/EXPENSE) | | | | | | | (1,500) | | |
| CORPORATE SERVICES | | | | | | | | | |
| CS1 - Director Corporate Services - J Watt | | | | | | | | | |
| 23451 | | Staff EBA Review Provision - Op Exp - Other Gov | 35,000 | 37,478 | 6,500 | 41,500 | | Expenditure higher than expected due to duration of negotiations. Process finalised so expect no further costs. | 6,500 |
| 142231 | | Consultants Corp Serv - Op Exp - Corp Gov Support | 38,000 | 11,350 | (9,000) | 29,000 | | Fair Value - complete | (9,000) |

| Account | Job | Description | 2017/18 Current Budget | 2017/18 YTD Actuals | Proposed Budget Amendment | Proposed Budget | Reserve Movement | Amendment Description | Org. Savings / Expense |
|--|-----|--|------------------------|---------------------|---------------------------|-----------------|------------------|--|------------------------|
| | | | | | (2,500) | | - | | (2,500) |
| CS2 - Manager Financial Services - A Santiago | | | | | | | | | |
| 22200 | | Audit Fees Op Exp - Other Governance | 51,000 | 17,893 | (15,000) | 36,000 | | Interim audit visit plus enhanced procedures on Payroll are likely to be billed in Q4. | (15,000) |
| 30145 | | Debt Collection Recovery | 95,700 | 74,339 | 5,600 | 101,300 | | Actual spend to date is \$75K which remains less than annual budget. POs raised caused the unfavourable variance. \$20K remaining budget likely to be spent collecting March 2018 instalment deadline. | |
| 30149 | | Legal & Rates Consulting Exp - Op Exp - Rates | 65,000 | 44,795 | (20,000) | 45,000 | | As at 15 April, we have not referred any further rates-related matters requiring legal opinion. The remaining budget is no longer likely to be spent. | (20,000) |
| 30251 | | Rates Reduced/Written Off - Op Exp - Rates | 15,000 | 1,519 | (10,000) | 5,000 | | Mining leases that may have been surrendered are not fully confirmed until May, however we are not expecting significant refunds/write-offs from mining tenements for the remainder of the year. | (10,000) |
| 32480 | | Rates Enquiry Fees - Op Inc - Rates | (32,500) | (20,845) | 12,500 | (20,000) | | With the remaining three months, the income expected from rates inquiries from property settlements is not likely to reach the annual budget. | 12,500 |
| 51051 | | FESA Levy Paid on Shire Land - Op Exp - Fire Prevention | 8,500 | 10,506 | 2,000 | 10,500 | | Complete \$2K over. Note that in 16/17 actuals were \$2.7K over which indicates reasonableness of the annual increase. | |
| 142004 | | Salary - Op Exp - Finance | 869,016 | 694,238 | (41,826) | 827,190 | | Savings intended to cover relief staff (Senior Finance Officer) | (41,826) |
| 142005 | | Superannuation Employee Expense - Finance | 105,222 | 85,613 | (3,974) | 101,248 | | Savings intended to cover relief staff (Senior Finance Officer) | (3,974) |
| 142120 | | Bank Charges with GST Only - Op Exp - General Administration O'Heads | 41,000 | 44,591 | 5,000 | 46,000 | | \$5,000 BUDGET INCREASE REQUESTED. Account balance is \$36K at 24 April with an average of \$3K a month for the past 6 months. Estimated balance by EOFY is \$47K or \$5K higher than originally budgeted. | |
| 142193 | | Relief Staff - Op Exp - Finance - Corp. Gov. & Support | - | 2,048 | 45,800 | 45,800 | | Relief finance staff airfare and car hire - amendment required from salary account 142004 | 45,800 |
| | | | | | (19,900) | | - | | (32,500) |
| CS4 - Manager Governance - R Pigglin | | | | | | | | | |
| 23453 | | Review of Strategies Relating to the Community Strategic Plan - Op Exp - Other Gov | 3,000 | - | (3,000) | - | | \$3k savings - resetting of LTFP baseline to be undertaken in-house. | |
| 24040 | | Election Expenses Op Exp - Members | 43,000 | 28,853 | (14,000) | 29,000 | | \$14k savings primarily due to local RO being appointed as opposed to external RO. | (14,000) |
| 107370 | | Cemetery Fees Inc GST - Op Inc - Other Community Amenities | (17,000) | (11,620) | 4,800 | (12,200) | | Amendment required as Grant of Right of Burial fees (GROB's) are now receipted to GL 107375 - as GROB fee is GST free. Based on estimate only as is dependent on number of burials. | |
| 107375 | | Cemetery related Licenses - GST Free - Op Inc - Other Community Amenities | (640) | (5,448) | (5,270) | (5,910) | | Previously Grant of Right of Burial fees (GROB's) were receipted to GL 107370 - amendment required as GROB fee GST free. Based on estimate only as is dependent on number of burials. | |
| 142070 | | Printing & Stationery - Op Exp - General Admin O'Heads | 22,000 | 11,114 | (5,000) | 17,000 | | \$5k savings - potentially due to reduction in printing across the organisation. | |
| 142090 | | Postage & Freight - Op Exp - General Administration O'Heads | 32,000 | 20,195 | (5,000) | 27,000 | | \$5k savings. No further rates mailouts, Ranger Services have 482 brochures re firebreaks and then follow up warnings and infringements prior to EOFY. | |

| Account | Job | Description | 2017/18 Current Budget | 2017/18 YTD Actuals | Proposed Budget Amendment | Proposed Budget | Reserve Movement | Amendment Description | Org. Savings / Expense |
|---------|-----|---|------------------------|---------------------|---------------------------|-----------------|------------------|---|------------------------|
| 142160 | | Other Office Expenses - Op Exp - General Administration O'Heads | 5,000 | 4,365 | 2,000 | 7,000 | | \$2k requested - additional water, milk etc consumption due to relocation of Infrastructure Department to Admin Building. Water cooler now relocated from Old Shire Office to Admin building. In addition this budget is being used to supply milk etc for training potentially due to new staff not being aware of their own budgets. Wrong ie Code | |
| 142233 | | Consultants Administration Dept - Op Exp - Corp Gov Support | 4,500 | 1,300 | 2,000 | 6,500 | | \$3k savings as Tenderlink software purchased 28/6/17 therefore not required. Savings to be allocated to the purchase of Attain Software (estimate \$5.2k) along with additional savings identified under GL 23453. | |
| | | | | | (23,470) | | - | | (14,000) |

| CS6 - Manager Information Technology - P Smith | | | | | | | | | |
|--|--|---|---------|---------|-----------------|---------|----------------|---|----------------|
| 142552 | | Shire Office Haas St Fixed Plant New -Cap Exp- Corp Gov | - | - | 3,950 | 3,950 | | Final late payment for the installation and commissioning of a GenSet for the administration building - dispute on expenses incurred. Funded from Plant Reserve (Inc Acct 142794) as per OMC Oct 2016 | |
| 142794 | | Transfer From Plant Reserve - Corp Gov & Support | - | - | (3,950) | (3,950) | (3,950) | RO: BA - Coordinator Financial Services: Admin Building Generator - Late invoice due to dispute on expenses incurred. exp in 142552 | |
| 146102 | | License Maint and Support - IT Exp | 419,400 | 403,550 | 10,813 | 430,213 | | EventPro project was completed, however licensing costs were unanticipated (\$10,813) in this financial year. | 10,813 |
| 146109 | | Software<\$5000 - IT Exp | 22,200 | - | (13,200) | 9,000 | | Office Licences paid for through acct 146102 due to change in Microsoft licensing model, which was able to be paid for with the existing budget due to savings. Propose savings from this account be reallocated to 146109 to offset EventPro license costs | (13,200) |
| 146110 | | Minor Assets<\$5000 - IT Exp | 103,000 | 54,083 | (10,000) | 93,000 | | Request \$10K moved to 146111 for Digital strategy project. | |
| 146111 | | IT Contract Consultants - Exp | 80,000 | 52,423 | 31,000 | 111,000 | | Propose \$31K from 146110 & 146122 to combine project to a Digital strategy consultation. Original Social Media Strategy \$21K and Digital Strategy \$10K = \$31K. | |
| 146120 | | Equip & H'Ware > \$5000 Cap Exp - IT | 463,170 | 267,959 | (11,000) | 452,170 | | Savings due to lower costs on various projects | |
| 146122 | | Software >\$5000 Cap Exp - IT | 296,244 | 111,160 | (31,909) | 264,335 | | Propose \$21K for Social Media Strategy be moved to 146111 consultant expense account to combine to a single digital media strategy | |
| | | | | | (24,296) | | (3,950) | | (2,387) |

| Account | Job | Description | 2017/18 Current Budget | 2017/18 YTD Actuals | Proposed Budget Amendment | Proposed Budget | Reserve Movement | Amendment Description | Org. Savings / Expense |
|--|--------|--|------------------------|---------------------|---------------------------|---|------------------|--|------------------------|
| BA - Coordinator Financial Services - L Dodds | | | | | | | | | |
| 52342 | | Transfer From Long Service Leave Reserve - Ranger Admin | - | - | (30,906) | (30,906) | (30,906) | Transfer from Leave Reserve for departing ranger | (30,906) |
| 142006 | | Salary - Op Exp - Human Resources | 282,234 | 288,219 | 19,180 | 301,414 | | RO: CS6 - Manager Human Resources: Over spend due to termination payout | 19,180 |
| 142320 | | Transfer From Leave Reserve Corp Gov & Support | (84,441) | - | (40,462) | (124,903) | (40,462) | Transfer of cash held in reserve for departing MHR & Senior Project Engineer | (40,462) |
| | | | | | (52,188) | | (71,368) | | (52,188) |
| OVERALL CORPORATE SERVICES - DEPT. SAVINGS/EXPENSE | | | | | (122,354) | CORPORATE SERVICES - ORG. SAVINGS/EXPENSE | | | (103,575) |
| RESERVE MOVEMENT - CORPORATE SERVICES | | | | | | | (75,318) | | |
| CORPORATE SERVICES - NET IMPACT (EXC. ORG.SAVINGS/EXPENSE) | | | | | | | (18,779) | | |
| DEVELOPMENT & COMMUNITY | | | | | | | | | |
| DS1 - Director Development & Community - A Nugent | | | | | | | | | |
| 106106 | 106126 | Consultancy - Development Contributions Plan & Scheme Amendment | 15,000 | 600 | 26,000 | 41,000 | | \$26K required to engage GHD to assist in assessing the implications and developing options in relation to the proposed closure of the Broome South WWTP | 26,000 |
| 116084 | | Community Signage - Op Exp - Other Culture | 13,570 | - | 27,000 | 40,570 | | Project has grown based on output of working group. To replace all signage and install correct signage at all beach access locations, the budget for the project will need to be substantially increased. | |
| | | | | | 53,000 | | - | | 26,000 |
| BRAC1 - Manager Sport & Recreation - C Zepnick | | | | | | | | | |
| 113391 | | Haynes Oval & Pavilion Income - Op Inc | (101,078) | (69,568) | (24,000) | (125,078) | | Property department raising invoice for BSHS this quarter | |
| 147100 | | Building Capital > \$5k - Cap Exp - Unclassified General | 90,000 | 37,928 | (15,000) | 75,000 | | RO: PM2 - Asset & Building Coordinator: Savings - Only one additional replacement aircon required for library. Reallocated \$10K to 117316 to cover shortfall in BRAC Roof project. | |
| 117315 | 117316 | BRAC Building Renewal - Cap Exp - BRAC Dry | 25,000 | - | 10,000 | 35,000 | | PROJECT DIS180102*** Various Building Renewal - BRAC Roof & Lighting. Additional \$10K required for BRAC roof project. Reallocated from 147100 - 100% Muni Funded. | |
| 117003 | | Relieving Staff Exp - Op Ex - BRAC Aquatic | 21,200 | 29,543 | 15,000 | 36,200 | | Transfer from 117057 to cover staff seconded to the Shire administration. | 15,000 |
| 117004 | 117057 | Salary & Related Customer Service Officer Expense | 106,673 | 78,251 | (15,000) | 91,673 | | Transferred to 117003 - Relieving staff | (15,000) |
| 117275 | | Stadium Venue Hire Inc. Rec'd - Op Inc - Dry BRAC | (20,000) | (22,311) | (10,000) | (30,000) | | Tracking above budget with dry season competitions soon to commence | |
| | | | | | (39,000) | | - | | - |
| BS1 - Manager Planning & Building Services - K Wood | | | | | | | | | |
| 106410 | | Planning Fees (GST Free) - Op Inc - Town Planning/Regional Devel | (75,000) | (35,128) | 30,000 | (45,000) | | The estimated value of development applications received this financial year has declined in comparison to previous financial year (YTD \$11 mil, previous year was \$32 mil at same time). Recommend that income be reduced by \$30K. | 30,000 |

| Account | Job | Description | 2017/18 Current Budget | 2017/18 YTD Actuals | Proposed Budget Amendment | Proposed Budget | Reserve Movement | Amendment Description | Org. Savings / Expense |
|---------|-----|------------------------------------|------------------------|---------------------|---------------------------|-----------------|------------------|---|------------------------|
| 133410 | | Stat Fees & Lic - Building Permits | (70,000) | (53,801) | 10,000 | (60,000) | | The number of building permit application received has declined by 25% compared to this time last financial year. Given how it is tracking to date, it is recommend this is reduced by \$10K. | 10,000 |
| | | | | | 40,000 | | - | | 40,000 |

CMS2 - Manager Community & Economic Development - M Davis

| | | | | | | | | | |
|---------|--|---|---------|-----------|----------------|-----------|----------|---|--|
| 23040 | | Youth Development Programme & Working Group - Op Exp - Other Governance | 27,543 | 3,313 | (9,000) | 18,543 | | Youth Week (\$6000), YAC Visioning and Team Building in June (\$5000) | |
| 23050 | | Grant Op - Youth Coordinating Committee Op Inc. - Other Governance | (7,300) | (3,045) | 4,000 | (3,300) | | No further grant income expected in this financial year. Expenditure account decreased accordingly. | |
| 23052 | | Volunteers Day Program Op Exp - Other Governance | 2,000 | - | (2,000) | - | | Unable to deliver due to staffing capacity. Priority on Youth Initiatives and YAC Progress. | |
| 1367210 | | Economic Development Program Expense - Op Exp - Other Economic Services | 9,091 | 10,000 | 100,356 | 109,447 | | Increased to reflect expenditure from GL 1367310 for the purposes of Growth Plan Funding. | |
| 1367310 | | Grants & Contributions Received - Op Inc - Other Economic Services | - | (100,356) | (100,356) | (100,356) | | Landcorp Growth Plan Funding. | |
| | | | | | (7,000) | | - | | |

CMS3 - Events and Economic Development Coordinator - R Chappell

| | | | | | | | | | |
|---------|--------|---|----------|----------|----------------|----------|----------|--|--|
| 113411 | | Venue Hire Inc - Cable Beach & Amphitheatre - Op Inc - Other Rec & Sport | (8,500) | (11,127) | (10,000) | (18,500) | | Based on current bookings it is anticipated for this location we will have an additional income of approximately \$10K | |
| 113416 | | Event Application Fees No GST - Cable Beach & Amphitheatre - Op Inc - Other Rec & Sport | (1,700) | (4,317) | (3,300) | (5,000) | | Potentially more application fees for this location up to approximately \$1000 | |
| 116184 | 116201 | Reconciliation Week Event - Op Exp | 35,000 | 50 | 7,000 | 42,000 | | To be expended in May. Need an additional \$7,000 to deliver event due to increased logistical costs. | |
| 116184 | 116200 | Event Cluster - Broome Pride | 11,500 | 16,385 | 5,000 | 16,500 | | Mardi Gras complete. \$5K extra to normalise budget. Remainder of event costs remain in Civic centre accounts. Additional costs offset by increase in ticket sales account | |
| 116184 | 116197 | Australia Day Concert & Fireworks Events Op Exp - Other Cult | 38,000 | 16,611 | (17,500) | 20,500 | | Final cost have now been allocated to this event. Would like the option to utilise some of this funding for reconciliation week event to ensure success. | |
| 1138332 | | Grant Income - Op Inc- Other Culture | (50,000) | (15,000) | 15,000 | (35,000) | | Reconciliation Week Grant of \$20K approved awaiting payment. \$5K reduction to Dept Culture & Arts for events development, Lotterywest Australia Day grant not approved \$10K | |
| | | | | | (3,800) | | - | | |

CMS4 - Civic Centre Venue Supervisor - S Dobson

| | | | | | | | | | |
|--------|--------|---|--------|--------|---------|--------|--|--|---------|
| 116470 | 116471 | Broome Civic Centre Building General Maint Exps - Op Exp Bme Civic Centre | 20,000 | 17,723 | 7,000 | 27,000 | | Increased due to depreciation of the building and increased failures especially with aircon. \$4284 associated with storm damage \$2713 associated with flooring issues | |
| 116489 | | Operational Expenses - Broome Civic Centre - Production/Events | 33,000 | 25,819 | 6,000 | 39,000 | | Expenditure increased due to additional hires and shows. Account #116540 reimbursement and #116541.026 and .027 increased to the same level. APRA licence to be journalled to 58 \$5162 to be journalled to 116200 (pride event) | |
| 116491 | | Minor Assets - Op Exp - Bme Civic Centre | 13,000 | 4,719 | (7,000) | 6,000 | | Projector was included in IT budget. \$7K to be moved into the Equipment reserve. | (7,000) |
| 116493 | | Advertising Promotion & Printing Expenses - Broome Civic Centre - Op Exp | 30,000 | 7,525 | (3,500) | 26,500 | | Circuitwest conference has grant funding Current order value is \$10,522.41 Additional marketing and community engagement activities with the upcoming 5 shows | |

| Account | Job | Description | 2017/18 Current Budget | 2017/18 YTD Actuals | Proposed Budget Amendment | Proposed Budget | Reserve Movement | Amendment Description | Org. Savings / Expense |
|---------|-----|---|------------------------|---------------------|---------------------------|-----------------|------------------|--|------------------------|
| 116495 | | Performance Production Expenses - Broome Civic - Op Exp | 54,000 | 39,321 | 9,278 | 63,278 | | Loose Ends, Marugeku & Broome Pride Increase in income account ticket sales #116541.026, \$15k; Purchase order - Melbourne Intl Comedy- closed, -\$5722 | |
| 116540 | | Broome Civic Centre Reimbursements Received - Op Inc - Bme Civic Centre | (45,000) | (38,175) | (7,000) | (52,000) | | Higher level of Reimbursement for external hires to date and booking in the future | |
| 116541 | | Broome Civic Centre Venue Income - Op Income - Bme Civic Centre | (159,500) | (116,462) | (45,541) | (205,041) | | increased bar sale income by \$2K Increased Commission income by \$541 Reduced venue hire income. reduce by \$2K Timing of shows anticipated ticket sales budget will be exceeded by \$45K. 4 shows to come | |
| | | | | | (40,763) | | - | | (7,000) |

HS1 - Acting Manager Health & Ranger Services - S Bambrick

| | | | | | | | | | |
|-------|-------|--|----------|----------|---------------|-----------|----------|--|-----------|
| 52119 | 52100 | Cyclone Hilda Emergency Management Response Expense - Op Exp - Emerg & Ranger Serv | - | 171,813 | 173,000 | 173,000 | | Emergency Management response costs for 17-18 major wet events recouped through WANDRRA. Inc in 52341 | 173,000 |
| 52119 | 52101 | Emergency Management Response Expenses - Op Exp - Emerg & Rang Serv | - | 58,699 | 78,000 | 78,000 | | Emergency Management response costs for 17-18 major wet events recouped through WANDRRA. Inc in 52341 | 78,000 |
| 52341 | | Reimb & Other Op Income - Emerg & Rang Serv | - | - | (251,000) | (251,000) | | Emergency Management response costs for 17-18 major wet events recouped through WANDRRA. Exp in jobs 52100 + 52101 | (251,000) |
| 52410 | | Dog Impounding Fees & Sundries - Op Inc - Animal Control | (27,500) | (32,188) | (5,000) | (32,500) | | Higher than usual rates of dogs seized resulting in higher income | |
| 53015 | | Relief Staff Exp - Op Exp - Ranger Operations | - | 50,405 | 52,894 | 52,894 | | Cost of contractor staff required to fill vacancies within team. | |
| 53017 | | Fines Enforcement Registry Exp - Op Exp - Ranger Operations | 9,000 | 13,695 | 9,000 | 18,000 | | Significant process changes have occurred that have delayed referring infringements. Infringements issued during the wet season often are paid whilst the dry has a higher level of non payment. This is likely to see FER referrals increase during Q4. | |
| 74420 | | Health Licences - Op Inc - Preventive - Inspection/Admin | (70,000) | (75,643) | (5,000) | (75,000) | | Not expected to collect any additional fees in this financial year. | |
| | | | | | 51,894 | | - | | - |

LS1 - Library Coordinator - S Eaton

| | | | | | | | | | |
|--------|--|--|--------|---------|----------------|---------|----------|---|----------|
| 115280 | | Grant Program Expenses - Op Exp - Library (Income in 115480) | 5,820 | 7,273 | 5,500 | 11,320 | | CFS:- CBW Grant to be received prior to EOFY. It is anticipated to be carried over into 18-19 FY | |
| 115286 | | SLWA Travel & Accommodation Op Exp - Library | 10,580 | 5,812 | (5,000) | 5,580 | | Additional expenditure against the grant has been made through salary hours rather than material expenditure. | |
| 115480 | | Grant Program Income - Op Inc - Library (Expense in 115280) | - | (7,000) | (6,500) | (6,500) | | CFS:- Confirmation of amount due mid May for expenditure in 18/19 budget. Has been submitted as CARRY-OVER | |
| | | | | | (6,000) | | - | | - |

OVERALL DEVELOPMENT & COMMUNITY - DEPT. SAVINGS/EXPENSE

48,331

DEVELOPMENT & COMMUNITY - ORG. SAVINGS/EXPENSE

59,000

RESERVE MOVEMENT - 106410

0

| Account | Job | Description | 2017/18 Current Budget | 2017/18 YTD Actuals | Proposed Budget Amendment | Proposed Budget | Reserve Movement | Amendment Description | Org. Savings / Expense |
|--|---------|---|------------------------|---------------------|---------------------------|-----------------|------------------|---|------------------------|
| DEVELOPMENT & COMMUNITY - NET IMPACT (EXC. ORG.SAVINGS/EXPENSE) | | | | | | | (10,669) | | |
| INFRASTRUCTURE SERVICES | | | | | | | | | |
| ES1 - Director Infrastructure - S Harding | | | | | | | | | |
| 143027 | | Relieving Staff - Op Exp - Engineering | 15,610 | 24,267 | 13,000 | 28,610 | | Salary savings to cover the consultancy spending. Increased consultancy due to staff vacancies. | 13,000 |
| 143055 | | Relieving Staff Exp - Works - Gen Admin | 60,000 | 46,313 | (13,687) | 46,313 | | No further relief staff expected before EOY | (13,687) |
| 148406 | | Reimbursements Rec'd No GST - Works Ops - Op Inc | - | (5,028) | (5,000) | (5,000) | | LGIS claim | |
| 1365495 | 136549 | New Caravan Dumping Point - Other Infrastructure - Tourism & Area Promotion - Cap Exp | 23,880 | 16,602 | (12,360) | 11,520 | | Work being carried out by Shire staff. Only materials to purchase | |
| | | | | | (18,047) | | - | | (687) |
| ES3 - Acting Manager Works - D Greaves | | | | | | | | | |
| 800 | | Oils & Lubricants - Op Exp - Depot Operations | 23,000 | 11,887 | (5,000) | 18,000 | | Savings | (5,000) |
| 113026 | 113024 | Skate Park Security - Op Exp | 5,200 | - | (5,200) | - | | Security at skate park. Savings | (5,200) |
| 116119 | 116120 | Bme Civic Centre Other Infrastructure Renewal - Cap Exp | 18,050 | 8,917 | (12,200) | 5,850 | | Less funds required for tank renewal. Savings to be transferred to reserve | |
| 116512 | | Transfer to Building Reserve - Cap Exp - Bme Civic Centre | - | - | 12,200 | 12,200 | 12,200 | Savings from less funds required for tank renewal. Exp in acct 116120 | |
| 148291 | | Consumables - Op Exp - Depot Operations | 19,200 | 8,696 | (5,000) | 14,200 | | Savings | (5,000) |
| 148292 | | Tool Replacement - Op Exp - Depot Operations | 12,450 | 2,965 | (5,000) | 7,450 | | Reallocated to Safety equipment 148293 | |
| 148293 | | Safety Equip - Op Exp - Depot Operations | 26,400 | 27,904 | 5,000 | 31,400 | | Reallocated from tool replacement 148292 | |
| 125200 | STLN001 | Sandpiper Ave New Light Construction | 95,000 | 76,796 | (18,204) | 76,796 | | reallocate savings to street light renewal 125232 | |
| 125225 | 125232 | Street Lighting at Various Locations - Renewal | 30,000 | 900 | 18,204 | 48,204 | | reallocate savings from Sandpiper new light construction STLN001 to cover the cost of new lights on Short Street. | |
| | | | | | (15,200) | 12,200 | | | (15,200) |
| ES5 - Works Coordinator - D Greaves | | | | | | | | | |
| 122430 | | Natural Disaster Grant - Flood Damage Repairs | - | - | (520,000) | (520,000) | | RO: ES3 - Acting Manager Works: Anticipated income for Natural disaster claim. Exp in 122415 | (520,000) |
| 122415 | 122415 | Flood Damage Repairs | - | 526,916 | 520,000 | 520,000 | | extreme weather events this account was set up without a budget. Offset by anticipated WANDDRA Claim in 122430 | 520,000 |
| 121101 | RRU | RRU - Urban Reseals Renewal Program - Various (Sealing Contractor) - Cap Ex - Renewal | 235,198 | 219,220 | (16,000) | 219,198 | | Savings on program due to improved traffic management process and refined reseal meterage | |
| 121209 | 121209 | Bus Shelters - Works Maint | 28,338 | 2,807 | (5,000) | 23,338 | | Materials savings due to impact of weather events on ability to undertake programmed works | |
| 121990 | 121990 | Carpark - Works Maint | 43,753 | 39,096 | (15,000) | 28,753 | | Materials savings due to works being undertaken internally rather than through contractor | |
| 122000 | 121011 | Sector 1 Chinatown - Works Maint | 200,126 | 125,523 | (15,000) | 185,126 | | Materials savings due to impact of weather events on ability to undertake programmed works | |
| 122000 | 121025 | Sector 2 Cable Beach - Works Maint | 219,080 | 149,664 | (15,000) | 204,080 | | Materials savings due to impact of weather events on ability to undertake programmed works | |
| 122000 | 121026 | Sector 3 Old Broome - Works Maint | 319,641 | 246,078 | (20,000) | 299,641 | | Materials savings due to impact of weather events on ability to undertake programmed works | |
| 122000 | 121027 | Sector 4 Sunset Park - Works Maint | 200,126 | 125,523 | (5,000) | 195,126 | | Materials savings due to impact of weather events on ability to undertake programmed works | |
| 122000 | 121028 | Sector 5 Roebuck Est - Works Maint | 200,126 | 125,523 | (10,000) | 190,126 | | Materials savings due to impact of weather events on ability to undertake programmed works | |
| 122000 | 121029 | Sector 6 Broome North / Blue Haze - Works Maint | 200,126 | 125,523 | (10,000) | 190,126 | | Materials savings due to impact of weather events on ability to undertake programmed works | |

| Account | Job | Description | 2017/18 Current Budget | 2017/18 YTD Actuals | Proposed Budget Amendment | Proposed Budget | Reserve Movement | Amendment Description | Org. Savings / Expense |
|---------|--------|---|------------------------|---------------------|---------------------------|-----------------|------------------|---|------------------------|
| 145291 | | Plant Dep'n Op Alloc (Credits) - Op Exp - Plant Operation | (576,466) | (473,898) | (32,250) | (608,716) | | RO: ES3 - Acting Manager Works: Extra Allocation of plant - due to extra mowing costs and retic breakdowns at BRAC Ovals & Additional costs to complete RU12 Crab Creek Road | |
| 117210 | 117211 | BRAC Ovals - P&G Maint | 246,009 | 259,714 | 60,250 | 306,259 | | Shortfall due to extra mowing costs and retic breakdowns. Transferred Salary & overhead costs from 117030. \$5K Salaries, \$9,750 overheads. Additional Plant allocations | |
| 126000 | 126121 | Sector 4 Sunset Park - P&G Maint | 38,991 | 54,455 | 14,750 | 53,741 | | Cost of frangipani transfer; Increased staff allocation for weather event recovery and cleanup. Shortfall transferred from 107030. \$5K Salaries, \$9,750 overheads | |
| 126000 | 126123 | Sector 6 Bme North / Blue Haze - P&G Maint | 40,029 | 91,782 | 47,398 | 87,427 | | Increased staff allocation for weather event recovery and cleanup. Reallocation of Staff from 142054 Shire Office & 126050 Drain Slashing \$16,070 Salary costs, \$31,328 overheads | |
| 126050 | 126050 | Drain Slashing & Maintenance - P & G | 61,996 | 34,032 | (23,600) | 38,396 | | Increased staff allocation for weather event recovery and cleanup. Reallocation of Staff to 126123 Sector 6 due additional maintenance required. \$8K Salary, \$15.6K overheads | |
| 126051 | 126059 | Roundabouts - P&G Maint | 168,452 | 133,755 | (5,000) | 163,452 | | Roundabout renovating underway | (5,000) |
| 142000 | 142054 | Shire Office Haas St - P & G Maint | 85,424 | 48,445 | (23,798) | 61,626 | | Reduced staff to offset increased activity in other areas due to weather event recovery and cleanup. \$8,070 salary, \$15,728 Overheads | |
| 117000 | 117070 | Grounds Maint Exp by P & G - BRAC | 84,841 | 37,293 | (19,027) | 65,814 | | Reallocate staff time to training 143504. \$6,450 Salary, \$12,577 overheads | |
| 143504 | 143504 | P&G Staff Training - Op Exp | 78,695 | 85,770 | 19,027 | 97,722 | | Additional Staff time due to chemical handling training 17-18 April from 117070 BRAC Grounds Maintenance. \$6,450 Salary, \$12,577 overheads | |
| | | | | | (91,350) | | - | | (22,500) |

| PM2 - Asset and Building Coordinator - S Clark | | | | | | | | | |
|---|--------|--|---------|---------|----------|----------|--|--|----------|
| 112053 | 112053 | Gantheaume Pt. Rotunda - Operating Expense - Op Exp | 1,619 | 319 | (1,300) | 319 | | Savings. No works to occur this year | |
| 113001 | 113004 | Haynes Oval Pavilion - Operating Expense - Op Exp | 15,735 | 8,790 | (5,000) | 10,735 | | Savings. | (5,000) |
| 114301 | 114302 | Broome Turf Club Building Maintenance Expenses - Op Exp - Unclassified General | - | - | 12,000 | 12,000 | | Insurance-reimbursable expenses - Tree removal at Broome Turf Club. Income in Acct 147586 | |
| 147586 | | Reimbursements & Other Income - Op Inc - Unclassified General | (500) | (1,264) | (12,000) | (12,500) | | RO: PM3 - Property & Leasing Senior Officer: Insurance-reimbursable expenses - Tree removal at Broome Turf Club. Expense in Acct 114302 | |
| 116090 | 116093 | Broome Museum Planned Maint & Minor Works - Op Exp | 14,000 | 1,754 | (5,000) | 9,000 | | Aircon deep cleans, replacement kitchen benches still to occur. \$5k savings | (5,000) |
| 116470 | 116472 | Broome Civic Centre Planned Maint & Minor Works - Op Exp | 22,000 | 4,387 | (5,000) | 17,000 | | Savings of \$5k due to painting not occurring | (5,000) |
| 117310 | 117311 | BRAC Building Upgrade - Cap Exp - BRAC Dry | 121,766 | 86,839 | (15,000) | 106,766 | | Changing places automatic door projects came under budget. savings | (15,000) |
| 132141 | 132142 | Pearl Lugger Const Upgrade - Cap Exp - Tourism | 35,165 | 10,820 | (10,000) | 25,165 | | PO issued for sails, reallocated remaining budget to Roebuck Bay CP to cover tree removal consultancy cost. Exp in acct 132313 | (10,000) |
| 132310 | 132313 | Roebuck Bay CP - Reactive Maint - Op Exp | 2,500 | 1,775 | 10,000 | 12,500 | | Reallocated savings from Pearl Lugger Project to cover tree removal consultancy | 10,000 |
| 142000 | 142058 | Haas St Office - Planned Maint & Minor Works - Op Exp | 26,000 | 5,361 | (10,000) | 16,000 | | Savings | (10,000) |
| 142050 | 142057 | Barker St Offices - Planned Maint & Minor Works - Op Exp | 10,000 | 1,058 | (5,000) | 5,000 | | Reallocate savings to KRO operating acct 147272 | |
| 147270 | 147272 | KRO1 - Reactive Maint - Op Exp | 12,000 | 13,206 | 10,000 | 22,000 | | Increased usage of the tenancies resulting higher repair costs | 10,000 |

| Account | Job | Description | 2017/18 Current Budget | 2017/18 YTD Actuals | Proposed Budget Amendment | Proposed Budget | Reserve Movement | Amendment Description | Org. Savings / Expense |
|---------|--------|--|------------------------|---------------------|---------------------------|-----------------|------------------|---|------------------------|
| 147270 | 147273 | KRO1 - Planned Maint & Minor Works - Op Exp | 10,000 | 2,948 | (4,000) | 6,000 | | Savings | (4,000) |
| 147270 | 147275 | KRO2 - Planned Maint & Minor Works - Op Exp | 5,000 | 773 | (3,000) | 2,000 | | Savings | (3,000) |
| 147371 | | Shire Office Barker St - Building Upgrade Wks - Cap Exp - Corp Gov Support | 80,000 | - | (80,000) | - | | Budget required for Admin Building works - Kitchen upgrade. Budget reallocated from Barker st from 147371 | |
| 142557 | | Shire Office Build Haas St Upgrade (Inc Fixed Furn)-Cap Exp- Corp Gov | - | - | 80,000 | 80,000 | | Budget required for Admin Building works - Kitchen upgrade. Budget reallocated from Barker st from 147371 | |
| 148100 | 148110 | Depot - Planned Maint & Minor Works - Op Exp | 10,000 | 3,604 | (4,000) | 6,000 | | Savings | (4,000) |
| 148100 | 148296 | Depot - Operating Expense - Op Exp | 123,527 | 82,754 | (10,000) | 113,527 | | Insurance | (10,000) |
| | | | | | | | | Savings to date | |
| | | | | | (57,300) | | - | | (51,000) |

| PM3 - Property and Leasing Senior Officer - P McBride | | | | | | | | | | | |
|---|--------|---|-----------|-----------|-----------|--|--|--|----------|----------|-----------|
| 95442 | | 69 Robinson St Rent & Recoup Income - Op Inc | (10,300) | (1,803) | 10,000 | (300) | | Unlikely to occur before EOY. Offset by increased income in Acc 147463 | | | |
| 96101 | | Staff Housing - Reactive Maint - Op Exp | 16,500 | 20,629 | 7,500 | 24,000 | | Minor works, painting, gardening and cleaning costs associated with 69 Robinson Street. | | | |
| 107071 | 107077 | Gantheaume Point Ablutions - Operating Expense - Op Exp | 10,563 | 5,098 | (2,000) | 8,563 | | Savings | (2,000) | | |
| 114401 | | Turf Club - Rent & Recoup Income - Op Inc | (19,500) | (21,233) | (1,700) | (21,200) | | More income than budgeted | (1,700) | | |
| 116175 | | Community Storage Shed Expenditure | 14,264 | 18,591 | 5,400 | 19,664 | | Pearl Coast Storage Costs for vacating Archer St storage to return to former state. | | | |
| 116494 | | Broome Civic Centre - Operating Expense - Op Exp | 123,311 | 121,234 | 5,000 | 128,311 | | Increased operating expenses due to increased hires and events. Recouped through income. | | | |
| 132050 | 132051 | Broome Visitor Centre - Operating Expense - Op Exp | 108,000 | 88,774 | (10,000) | 98,000 | | Savings | (10,000) | | |
| 132050 | 132052 | Broome Visitor Centre - Reactive Maint - Op Exp | 4,900 | 9,862 | 5,000 | 9,900 | | Utilities to be reviewed globally | | | |
| 132414 | | Broome Visitor Centre - Rent & Recoup Income - Op Inc | (102,266) | (97,966) | (5,000) | (107,266) | | Re-Couped from tenants. Increased income budget in acct 132414 | | | |
| 134212 | | Broome Visitor Centre - Rent & Recoup Income - Op Inc | (102,266) | (97,966) | (5,000) | (107,266) | | Increased income to offset recoupable reactive maintenance costs in acct 132052 | | | |
| 134212 | | Cable Beach Camel Tours (Res 52985) - Rent & Recoup Income - Op Inc | - | (4,000) | (8,000) | (8,000) | | Shire has taken over reserve where the camels are kept from dept of lands. Now receiving rental income, \$2K per month | (8,000) | | |
| 142050 | 142051 | Barker St Offices - Operating Expense - Op Exp | 85,723 | 58,294 | (4,500) | 81,223 | | Savings | (4,500) | | |
| 146020 | 141022 | Mulberry Tree Child Care - Planned Maint & Minor Works - Op Exp | 4,990 | 109 | (4,000) | 990 | | Less expense resulting in less recouped income in 147496 | | | |
| 147496 | | Mulberry Tree Child Care - Rent & Recoup Income - Op Inc | (88,129) | (68,705) | 4,000 | (84,129) | | Lease renewal resulting in more rent than originally budgeted. | | | |
| 147463 | | Far North Community Services Tenancy 5,6,7 - KRO2 - Rent & Recoup Income - Op Inc | (50,000) | (57,562) | (10,000) | (60,000) | | Higher rate of occupancies resulting in higher rate of recouped variable outgoings | | | |
| 147467 | | Main Roads WA Tenancy 9 - KRO1 - Rent & Recoup Income - Op Inc | (15,000) | (3,483) | 5,000 | (10,000) | | Vacant for first 8 months. Income unlikely | 5,000 | | |
| 147484 | | Tenancy 1 - KRO2 - Rent & Recoup Income - Op Inc | (20,000) | - | 20,000 | - | | Vacant since beginning of year. Unlikely to be occupied. | 20,000 | | |
| 147487 | | WA Police Tenancy 10 - KRO1 - Rent & Recoup Income - Op Inc | (65,000) | (108,625) | (60,000) | (125,000) | | More income than budgeted as tenants stayed long after lease expired. | (60,000) | | |
| 147489 | | User Charges KRO Outgoings - Op Inc - Office Properties Leased | (354,000) | (361,821) | (10,000) | (364,000) | | Higher rate of occupancies resulting in higher rate of recouped variable outgoings | | | |
| | | | | | (53,300) | | | | | (61,200) | |
| OVERALL INFRASTRUCTURE SERVICES - DEPT. SAVINGS/EXPENSE | | | | | (305,147) | INFRASTRUCTURE SERVICES - ORG. SAVINGS/EXPENSE | | | | | (196,587) |

| Account | Job | Description | 2017/18 Current Budget | 2017/18 YTD Actuals | Proposed Budget Amendment | Proposed Budget | Reserve Movement | Amendment Description | Org. Savings / Expense |
|---|-----|-------------|------------------------|---------------------|---------------------------|-----------------|------------------|-----------------------|------------------------|
| RESERVE MOVEMENT - INFRASTRUCTURE SERVICES | | | | | | | (417,800) | | |
| INFRASTRUCTURE SERVICES - NET IMPACT (EXC. ORG.SAVINGS/EXPENSE) | | | | | | | (108,560) | | |

6. MATTERS BEHIND CLOSED DOORS

Nil

7. MEETING CLOSURE

There being no further business the Chairman declared the meeting closed at 4.50pm.