



## **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."*

# **CONFIRMED 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**

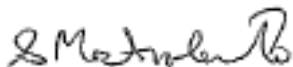
1.	OFFICIAL OPENING .....	5
2.	ATTENDANCE AND APOLOGIES .....	5
3.	DECLARATIONS OF FINANCIAL INTEREST / IMPARTIALITY .....	5
4.	CONFIRMATION OF MINUTES .....	5
5.	REPORTS OF OFFICERS .....	6
	5.1 AUDIT REGULATION 17 IMPROVEMENT PLAN BIENNIAL PROGRESS REPORT .....	6
	5.2 3RD QUARTER FINANCE AND COSTING REVIEW 2017-18 .....	24
6.	MATTERS BEHIND CLOSED DOORS .....	42
7.	MEETING CLOSURE .....	42

## 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**

11/05/2018

**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

<b>LOCATION/ADDRESS:</b>	Nil
<b>APPLICANT:</b>	Nil
<b>FILE:</b>	COA01
<b>AUTHOR:</b>	Manager Governance
<b>CONTRIBUTOR/S:</b>	Nil
<b>RESPONSIBLE OFFICER:</b>	Director Corporate Services
<b>DISCLOSURE OF INTEREST:</b>	Nil
<b>DATE OF REPORT:</b>	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.

<b>Profile / Section</b>	<b>Risk Context</b>
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.



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>

	being reviewed following the release of the WALGA Model Purchasing Policy. Proposed to transfer to section 3 of the Risk Register.
LC3.1	Communications 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.
IC2.3	Internal Audit 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.
IC3.3	Documented Procedures 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.
IC3.9	Workflow Diagrams 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.
IC4.1	Monitoring 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.

## 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 &amp; 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
RM 2.3 Staff Housing Policy	Apr-18	DCS > MPC	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.
RM 3.8 Workforce Plan	Nov-18	MPC	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.
RM 5.2 Risk management training be available to elected members and all senior staff undergo relevant risk management training.	November - Annually	DCS	Risk Management Training funds assigned through annual budget process for 17/18 however may be deferred due to vacancies in HR department.

<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 &amp; 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			

<b><u>External theft &amp; fraud (Inc. Cyber Crime)</u></b>		<b>Risk</b>	<b>Control</b>	
		<b>Moderate</b>	<b>Adequate</b>	
<b>Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>		<b>Status of Actions / Treatments</b>
<i>All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register</i>				
<b><u>Management of Facilities / Venues / Events</u></b>		<b>Risk</b>	<b>Control</b>	
		<b>Moderate</b>	<b>Adequate</b>	
<b>Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>		<b>Status of Actions / Treatments</b>
<i>All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register</i>				
<b><u>IT or communication systems and infrastructure</u></b>		<b>Risk</b>	<b>Control</b>	
		<b>Moderate</b>	<b>Adequate</b>	
<b>Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>		<b>Status of Actions / Treatments</b>
<i>RM 3.14 Information Systems Plans</i>	<i>Nov-18</i>	<i>MIS</i>		<i>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>

<b><u>Misconduct</u></b>		<b>Risk</b>	<b>Control</b>	
		<b>Moderate</b>	<b>Adequate</b>	
<b>Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>		<b>Status of Actions / Treatments</b>
<i>All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register</i>				
<b><u>Project / Change management</u></b>		<b>Risk</b>	<b>Control</b>	
		<b>Moderate</b>	<b>Adequate</b>	
<b>Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>		<b>Status of Actions / Treatments</b>
<i>All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register</i>				
<b><u>Safety and Security practices</u></b>		<b>Risk</b>	<b>Control</b>	
		<b>High</b>	<b>Adequate</b>	
<b>Actions / Treatments</b>	<b>Due Date</b>	<b>Responsibility</b>		<b>Status of Actions / Treatments</b>
<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
<i>All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register</i>			

**5.2 3RD QUARTER FINANCE AND COSTING REVIEW 2017-18**

<b>LOCATION/ADDRESS:</b>	Nil
<b>APPLICANT:</b>	Nil
<b>FILE:</b>	FRE02
<b>AUTHOR:</b>	Manager Financial Services
<b>CONTRIBUTOR/S:</b>	Coordinator Financial Services
<b>RESPONSIBLE OFFICER:</b>	Director Corporate Services
<b>DISCLOSURE OF INTEREST:</b>	Nil
<b>DATE OF REPORT:</b>	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.

**BACKGROUND**Previous 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 1<sup>st</sup> Quarter FACR. The result of all amendments prior to the 2<sup>nd</sup> 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
	<b>0,000*</b>	<b>(500,400)</b>	<b>(360,892)</b>	<b>(139,508)</b>	<b>136,397†</b>	<b>(3,111)</b>

## 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.**

**CARRIED UNANIMOUSLY BY ABSOLUTE MAJORITY 3/0**

**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
	<b>0,000*</b>	<b>(500,400)</b>	<b>(360,892)</b>	<b>(139,508)</b>	<b>136,397†</b>	<b>(3,111)</b>

\*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
<b>EXECUTIVE</b>									
<b>ADMIN1 - Chief Executive Officer - S Mastrolemo</b>									
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)		<b>RO: BC - Media And Promotions Officer:</b> 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		<b>RO: KRCG - Kimberley Regional Collaborative Group Secretariat - POSITION GONE:</b> 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)		<b>RO: KRCG - Kimberley Regional Collaborative Group Secretariat - POSITION GONE:</b> Associated reimbursement of secretariat costs from 1 January 2018 to 30 June 2018.	
					<b>(36,545)</b>		<b>-</b>		<b>(36,545)</b>
<b>ADMIN2 - Personal Assistant To CEO - L Berkrey</b>									
22120		Naturalisation Ceremonies - Op Exp - Other Governance	5,000	-	(4,000)	1,000		Savings	(4,000)
					<b>(4,000)</b>		<b>-</b>		<b>(4,000)</b>
<b>BC - Media And Promotions Officer - S Penn</b>									
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)
					<b>(55,000)</b>		<b>-</b>		<b>(55,000)</b>
<b>CS3 - Manager People and Culture - R Sharland</b>									
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	
					<b>(25,685)</b>		<b>-</b>		<b>(24,185)</b>
<b>ES7 - Special Projects Coordinator - J Macmath</b>									
116125	116131	Broome Trails Signage New - Cap Exp - Other Cult	51,700	-	(51,700)	-		<b>RO: BRAC1 - Manager Sport &amp; Recreation:</b> 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)
<b>CS2 - Manager Financial Services - A Santiago</b>									
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)
<b>CS4 - Manager Governance - R Pigglin</b>									
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.	
					<b>(23,470)</b>		<b>-</b>		<b>(14,000)</b>

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)	<b>RO: BA - Coordinator Financial Services:</b> 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	
					<b>(24,296)</b>		<b>(3,950)</b>		<b>(2,387)</b>

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
					<b>40,000</b>		<b>-</b>		<b>40,000</b>

**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.	
					<b>(7,000)</b>		<b>-</b>		

**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	
					<b>(3,800)</b>		<b>-</b>		

**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, Marrugeku & 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
<b>DEVELOPMENT &amp; COMMUNITY - NET IMPACT (EXC. ORG.SAVINGS/EXPENSE)</b>							<b>(10,669)</b>		
<b>INFRASTRUCTURE SERVICES</b>									
<b>ES1 - Director Infrastructure - S Harding</b>									
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	
					<b>(18,047)</b>		<b>-</b>		<b>(687)</b>
<b>ES3 - Acting Manager Works - D Greaves</b>									
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.	
					<b>(15,200)</b>		<b>12,200</b>		<b>(15,200)</b>
<b>ES5 - Works Coordinator - D Greaves</b>									
122430		Natural Disaster Grant - Flood Damage Repairs	-	-	(520,000)	(520,000)		<b>RO: ES3 - Acting Manager Works:</b> 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)		<b>RO: ES3 - Acting Manager Works:</b> 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	
					<b>(91,350)</b>		<b>-</b>		<b>(22,500)</b>

<b>PM2 - Asset and Building Coordinator - S Clark</b>									
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)		<b>RO: PM3 - Property &amp; Leasing Senior Officer:</b> 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	
					<b>(57,300)</b>		<b>-</b>		<b>(51,000)</b>

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 cleaining 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)		Less recouped income resulting from less recoupable expense in acct 141022	
147463		Far North Community Services Tenancy 5,6,7 - KRO2 - Rent & Recoup Income - Op Inc	(50,000)	(57,562)	(10,000)	(60,000)		Lease renewal resulting in more rent than originally budgeted.	
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.