



**TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
BUDGET REVIEW (FIRST QUARTER)
FOR PERIOD ENDED 21 OCTOBER 2017
BY NATURE & TYPE**

	Current Budget	Amendments	Proposed Budget
	\$000's	\$000's	\$000's
Operating Revenue			
Rates	25,003	0	25,003
Operating Grants, Subsidies & Contributions	3,661	(1,014)	2,646
Fees & charges	11,903	(73)	11,830
Interest earnings	6,658	0	6,658
Other revenue	1,338	579	1,917
Profit on Sale of Assets	23	131	154
Total Operating Revenue	48,586	(377)	48,209
Operating Expenditure			
Employee costs	(18,376)	512	(17,864)
Materials & contracts	(25,459)	139	(25,320)
Utilities	(3,053)	(25)	(3,078)
Depreciation	(12,914)	0	(12,914)
Interest expenses	(1,198)	0	(1,198)
Insurance expenses	(836)	(1)	(837)
Other expenditure	(1,797)	(300)	(2,098)
Loss On Asset Disposal	0	0	0
Total Operating Expenditure	(63,633)	325	(63,308)
Operating Surplus/(Deficit)	(15,047)	(52)	(15,099)
Add Back Non Cash Items			
Depreciation	12,914	0	12,914
Profit / Loss On Asset Disposal	(23)	(131)	(154)
Transfer to/ (from) non current	(924)	0	(924)
Capital Expenditure and Revenue			
Acquisition of infrastructure, property, plant and equipment	(21,161)	(1,099)	(22,259)
Proceeds From Sale Of Assets	300	512	812
Non-Operating Grants, Subsidies & Contributions	3,286	(171)	3,115
Proceeds from self supporting loans	96	0	96
Transfer from reserves	25,478	1,577	27,055
Loan principal repayments	(1,241)	0	(1,241)
Transfer to reserves	(7,822)	(132)	(7,954)
Municipal Surplus / (Deficit) Brought Forward 1 July 2017	4,500		4,125
Estimated Municipal Surplus / (Deficit) Carried Forward 30 June 2018	355		484



**TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
BUDGET REVIEW (FIRST QUARTER)
FOR PERIOD ENDED 31 OCTOBER 2017
BY PROGRAM**

	Current Budget	Amendments	Proposed budget
	\$000's	\$000's	\$000's
Operating Revenue			
General Purpose Funding	34,622	(981)	33,640
Governance	0	0	0
Law, Order & Public Safety	283	(11)	272
Health	486	(13)	473
Education & Welfare	198	0	198
Housing	308	0	308
Community Amenities	9,510	0	9,510
Recreation & Culture	1,720	514	2,234
Transport	189	0	189
Economic Services	798	116	914
Other Property & Services	472	(2)	470
Total Operating Revenue	48,586	(377)	48,209
Operating Expenditure			
General Purpose Funding	(356)	(148)	(504)
Governance	(3,107)	85	(3,022)
Law, Order & Public Safety	(2,208)	79	(2,129)
Health	(1,177)	63	(1,115)
Education & Welfare	(2,485)	12	(2,473)
Housing	(537)	(228)	(765)
Community Amenities	(8,128)	(412)	(8,540)
Recreation & Culture	(20,239)	165	(20,075)
Transport	(21,353)	239	(21,114)
Economic Services	(991)	112	(879)
Other Property & Services	(3,051)	357	(2,694)
Total Operating Expenditure	(63,633)	325	(63,308)
Operating Surplus/(Deficit)	(15,047)	(52)	(15,099)
Add Back Non Cash Items			
Depreciation	12,914	0	12,914
(Profit)/ Loss on Disposal of Assets	(23)	(131)	(154)
Transfers to / (from) Non-current	(924)	0	(924)
Acquisition of infrastructure, property, plant and equipment	(21,161)	(1,099)	(22,259)
Proceeds From Sale Of Assets	300	512	812
Non-Operating Grants, Subsidies & Contributions	3,286	(171)	3,115
Proceeds from self supporting loans	96	0	96
Transfer from reserves	25,478	1,577	27,055
Loan principal repayments	(1,241)	0	(1,241)
Transfer to reserves	(7,822)	(132)	(7,954)
Municipal Surplus / (Deficit) Brought Forward 1 July 2017	4,500		4,125
Estimated Municipal Surplus / (Deficit) Carried Forward 30 June 2018	355		484



**TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
BUDGET REVIEW (FIRST QUARTER) FOR PERIOD ENDED 31 OCTOBER 2017
FINANCIAL RESERVES**

	Opening Balance		Transfers In & Interest		Transfers Out		Budgeted Closing Balance of Reserve	
	Original Budget	Actual	Current Budget	Proposed Budget	Current Budget	Proposed Budget	Current Budget	Proposed Budget
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's
Current								
Employee Leave Reserve	876	876	0	0	0	0	876	876
Developer Contributions - Car Parking and Public Open Space Reserve	529	529	0	0	270	270	259	259
Airport Reserve	15,075	15,075	0	0	10,870	10,870	4,205	4,205
Spoilbank Reserve	37,713	37,713	0	0	3,150	3,150	34,563	34,563
Asset Management - Community Facilities and Infrastructure Reserve	2847	2,847	1,583	2,127	2,699	4,159	1,731	815
GP Housing	185	184	0	0	0	0	185	184
Waste Management Reserve	10,554	10,540	1,076	665	2,926	2,631	8,704	8,573
Plant Reserve	2,181	2,147	612	612	649	660	2,143	2,100
Unfinished Works & Committed Works Reserve	759	762	0	0	759	762	0	0
Staff Housing Reserve	645	645	0	0	347	347	298	298
Strategic Reserve	587	587	0	0	87	87	500	500
Unspent Grants, Loans & Contributions Reserve	1,635	1,464	0	0	1,567	1,395	68	69
PHIA Long Term Lease Proceeds Reserve	165,104	165,849	4,548	4,548	1,927	2,577	167,725	167,820
Insurance	124	124	0	0	124	124	0	0
Cyclone Emergency Support Response	103	103	0	0	103	23	0	80
Historical	9	9	3	3	0	0	11	12
	238,924	239,454	7,822	7,954	25,479	27,055	221,267	220,353

* Note: The opening balance is an estimate based on the Interim closing balances as at 30 June 2017

In accordance with council resolutions in relation to each current reserve account, the purpose for which the reserves are set aside are as follows:

Employee Leave Reserve

To ensure that adequate funds are available to finance employee leave entitlements such as annual leave, long service leave, sick leave and redundancies.

Developer Contributions - Car Parking and Public Open Space Reserve

To hold contributions which arise from conditions applied to a Development Application for car parking and public open space.

Airport Reserve

To fund the future Port Hedland International Airport major Works commitments.

Spoilbank Reserve

Funding the development of the Port Hedland Spoilbank Precinct.

Asset Management - Community Facilities and Infrastructure Reserve

To fund the ongoing maintenance, refurbishment, renewal, replacement and upgrade of Council owned infrastructure assets within the Town of Port Hedland and community facilities within the Town of Port Hedland, specifically (but not limited to): Wanangkura Stadium, South Hedland Aquatic Centre, Gratwick Aquatic Centre, Marquee Park and JD Hardie Centre.

GP Housing

To fund the development, maintenance and management of GP Housing.

Waste Management Reserve

To fund the development, operation, maintenance and capital expenditure for the Council's waste management facilities including the landfill and waste collection operations and any associated repayments of borrowings and employee entitlements.

Plant Reserve

To fund the Plant Replacement Program (plant with motor vehicle registration).

Unfinished Works & Committed Works Reserve

To transfer unspent Municipal funded expenditure on specific projects to enable identification of carryover expenditure into the next financial year.

Staff Housing Reserve

To fund the maintenance, refurbishment, redevelopment and construction of staff housing.

Strategic Reserve

To fund strategic projects (excluding renewal and replacement) as included in the Town's Strategic Community Plan and Corporate Business Plan. To fund strategic projects (excluding renewal and replacement) as included in the Town's Strategic Community Plan and Corporate Business Plan; and to fund the formulation and maintenance of the plans.

Unspent Grants, Loans & Contributions Reserve

To restrict unspent grants, loans and contributions at the end of the financial year.

PHIA Long Term Lease Proceeds Reserve

To account for the lease proceeds from the long term lease of the Port Hedland International Airport and disburse funds as per the Wealth Management Framework.

Historical

To fund historical building refurbishment projects.

Insurance Reserve

To restrict unspent insurance income at the end of the financial year.

Cyclone Emergency Support Response

To fund cyclone and emergency related projects.



**TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
BUDGET REVIEW (FIRST QUARTER) FOR PERIOD ENDED 31 OCTOBER 2017
CAPITAL WORKS PROGRAM**

Capital Project	Asset Class	Asset Classification	Budget 2017/18	Amendments	Proposed Budget	Funding					Commentary
						Municipal Funded	Reserve Funded (Municipal)	Reserve Funded (Grants)	Sale of Assets	Grants, Subsidies & Contributions	
Diesel Generators for Civic Centre, Depot, Landfill and Evacuation Centre	Plant & Equipment	New	180,000	(180,000)	0	-	-	-	-	-	Opting for lease option instead of capital and utilisation or portable lighting tower as a generator.
JD Hardie Expansion	Land & Buildings	Upgrade	150,000		150,000	-	(150,000)	-	-	-	
Housing Renewal Program	Land & Buildings	Renewal	347,000		347,000	-	(347,000)	-	-	-	
South Hedland Water Treatment Plant	Plant & Equipment	Upgrade	360,412	(360,156)	256	-	(256)	-	-	-	Project completed in 2016/2017.
Port Hedland Community Facilities (Turf club)	Land & Buildings	New	100,000		100,000	-	(100,000)	-	-	-	
Civic Centre HVAC System and Ducting Renewal	Plant & Equipment	Upgrade	251,560	67,000	318,560	-	(318,560)	-	-	-	Project now complete. The amount of \$67k was returned to Asset Management - Infrastructure Reserve in 16/17. This amount is requested to return back into the budget to align with 17/18 expenditure.
Civic Centre: Asset Management Plan Critical Obligations and OHS	Land & Buildings	Renewal	105,000	48,000	153,000	-	(153,000)	-	-	-	Rear entrance was not compliant with disability access requiring further funds to complete project. This was also highlighted as a key deliverable in the the Towns DAIP. The entrance is also one of the key emergency exit routes from the building.
Building Renewal and Upgrade program	Land & Buildings	Renewal	130,438		130,438	-	(130,438)	-	-	-	
Commercial Building Renewal Program	Land & Buildings	Renewal	748,000		748,000	(448,000)	(300,000)	-	-	-	
South Hedland Aquatic Centre - Work to renew and upgrade to working condition	Infrastructure	Renewal	500,000	800,000	1,300,000	-	(1,300,000)	-	-	-	Additional funds required to remove wave rider and address water filtration issues which are currently not compliant and for additional civil works. \$500K Approved by Council Decision CM201718/055 at Special Council Meeting held 04/10/2017.
South Hedland Aquatic Centre: Install accessibility toilets and change room	Land & Buildings	New	130,000	27,000	157,000	-	(57,000)	(46,000)	-	(54,000)	Additional grant funding sought from WALGA Changing Places Program. Additional \$27,000 has been approved.
Gratwick Aquatic Centre - Remedial Works	Infrastructure	Renewal	300,000		300,000	-	(300,000)	-	-	-	
South Hedland Cemetery Upgrade	Infrastructure	Upgrade	27,123	29,204	56,327	(21,204)	(35,123)	-	-	-	Combine project budget with Cemetery masterplan to be done as one piece of work
Cemetery Masterplan	Infrastructure	New	21,204	(21,204)	0	-	-	-	-	-	Combine project budget with South Hedland Cemetery Upgrade to be done as one piece of work
Shade Structures	Infrastructure	Renewal	350,000		350,000	(350,000)	-	-	-	-	
Marrapikarinya park handrail replacement	Infrastructure	Renewal	64,000		64,000	-	(64,000)	-	-	-	
South Hedland Skate Park CPTED Design Response	Infrastructure	New	15,000		15,000	-	(15,000)	-	-	-	
Playgrounds Renewal Program	Infrastructure	Renewal	150,000		150,000	(150,000)	-	-	-	-	
Faye Gladstone Netball Courts Clubroom Upgrade	Land & Buildings	Upgrade	1,361,972	100,000	1,461,972	(96,167)	-	(1,232,041)	-	(133,764)	Additional funds required to cover additional seating, hydrostatic membrane and fencing as well as extra stainless steel balustrade as existing drop is greater than minimum.
South Hedland Sports Precinct	Land & Buildings	New	400,000		400,000	-	(400,000)	-	-	-	
South Hedland Civic Facilities business and concept design	Land & Buildings	New	400,000		400,000	-	(169,302)	(230,698)	-	-	
Matt Dann Theatre & Cinema: Venue Improvement	Land & Buildings	Renewal	176,261		176,261	-	(176,261)	-	-	-	
Cassia Primary School Footbridge	Infrastructure	Upgrade	125,000		125,000	-	(125,000)	-	-	-	
Depot wash-down bay - Oily Water Separator – workshop and silt drain work	Infrastructure	Upgrade	180,000	600,000	780,000	-	(780,000)	-	-	-	Combine project with Stores expansion project to allow for improved cost tracking.
Depot Office Building	Land & Buildings	New	250,000	(250,000)	0	-	-	-	-	-	To lease rather than use capital funds.
Community Chest Fund 2016: Tourism Signage	Infrastructure	New	82,000		82,000	-	(28,334)	(53,666)	-	-	
Marina boating facility location options investigation	Infrastructure	New	3,000,000		3,000,000	-	(3,000,000)	-	-	-	
Kingsford Smith Business Park Landscaping	Infrastructure	New	54,154	80,000	134,154	(80,000)	-	(54,154)	-	-	Project increase related to carry forward of unspent budget from 2016/17 not included in original budget development. Additional funds to align with contract value.
Port Hedland standpipe swipe card activation	Infrastructure	New	40,000		40,000	(40,000)	-	-	-	-	
Irrigation Inground renewal - South Hedland	Infrastructure	Renewal	110,000		110,000	(110,000)	-	-	-	-	
Irrigation Inground renewal - Port Hedland	Infrastructure	Renewal	45,000		45,000	(45,000)	-	-	-	-	
Small Plant Replacement Program	Plant & Equipment	Renewal	35,000		35,000	-	(35,000)	-	-	-	
Large Plant Replacement Program	Plant & Equipment	Renewal	550,000		550,000	-	(490,000)	(60,000)	-	-	
Light Fleet Replacement Program	Plant & Equipment	Renewal	150,000		150,000	-	(60,000)	(90,000)	-	-	
Phase 2 Digital - Complete installation of ToPH digital radio system in vehicles and heavy equipment.	Furniture & Equipment	Upgrade	44,318		44,318	-	(44,318)	-	-	-	
Portable Lighting Towers	Plant & Equipment	New	20,000	23,000	43,000	-	(43,000)	-	-	-	The procured lighting tower will double as a generator, hence increased purchasing cost.

Installation of a new store, storage bins, fencing and tank.	Infrastructure	Upgrade	600,000	(600,000)	0	-	-	-	-	Combine project budget with Depot wash-down bay to be done as one piece of work	
Workshop upgrades	Land & Buildings	Upgrade	60,000		60,000	-	(60,000)	-	-		
ICT Hardware and Renewal	Furniture & Equipment	Renewal	100,000		100,000	-	(100,000)	-	-		
ITC Strategy & Outcomes	Furniture & Equipment	New	100,000		100,000	(100,000)	-	-	-		
Iphone Replacement	Furniture & Equipment	Renewal	20,000		20,000	(20,000)	-	-	-		
Printer Replacement	Furniture & Equipment	Renewal	62,931		62,931	(53,497)	(9,434)	-	-		
WANDRRA project	Infrastructure	Renewal	1,678,926	(331,348)	1,347,578	-	-	-	(1,347,578)	Amendment of WANDRRA works and revenue to match approved funding. Request for funding for Pinga street was denied.	
Council Records Storage	Land & Buildings	New	60,000		60,000	(60,000)	-	-	-		
NEW - Stage 2 Telecommunications renewal & upgrade project	Land & Buildings	Renewal		500,000	500,000	(500,000)	-	-	-	Upgrade 50 year old copper infrastructure to fibre optic cable linked directly to each building. Core construction is required as it was outside the NBN installation route	
NEW - Marquee Park pump replacement and repair	Infrastructure	Renewal		20,000	20,000	(20,000)	-	-	-	Purchase and installation of a new pump and service existing pump at Marquee Park. There has been problems with the probe which is associated with the dosing of the system.	
NEW - Kevin Scott Oval Irrigation compound	Infrastructure	Upgrade		20,000	20,000	(20,000)	-	-	-	Fencing required around irrigation compound as per the non-potable water irrigation guidelines. Fencing was allowed for in the tank replacement project in the 2016/17 budget but due to adjacent construction of the Faye Gladstone netball pavilion was unable to be installed and works were intended to be carried over and completed under the Faye Gladstone scope.	
Total General Capital projects			13,635,299	571,496	14,206,795	(2,113,868)	(8,791,026)	(1,616,559)	(150,000)	(1,535,342)	
ROAD PROGRAM											
Pinga Street - Rehabilitation of Existing Pavement	Infrastructure	Upgrade	2,236,246	450,000	2,686,246	(1,207,568)	(1,149,230)	-	-	(329,448)	Additional funds to complete project. Approved by Council Decision CM201617/246 at Ordinary Council Meeting held 28 June 2017.
Sealed Roads Renewal Program	Infrastructure	Renewal	1,068,000		1,068,000	(402,150)	-	-	-	(665,850)	
McGregor, Athol, Cooke Point Roundabout Rehabilitation	Infrastructure	Renewal	55,000	(38,918)	16,082	-	(16,082)	-	-	-	Return funds as project is complete under budget.
Yandeyarra	Infrastructure	Renewal	45,000		45,000	(15,000)	-	-	-	(30,000)	
Pipingarra	Infrastructure	Renewal	90,000		90,000	(30,000)	-	-	-	(60,000)	
Drainage Renewal Program	Infrastructure	Renewal	300,000	150,000	450,000	(450,000)	-	-	-	-	Additional funds required for continuation of programme and installation of better stabilisation products.
Footpath Renewal Program	Infrastructure	Renewal	400,000		400,000	(400,000)	-	-	-	-	
Unsealed Road Resheeting Program	Infrastructure	Renewal	625,000		625,000	(625,000)	-	-	-	-	
Styles Road Roundabout	Infrastructure	Upgrade	34,000	(34,000)	0	-	-	-	-	-	Project complete under budget in 2016/17.
Intersection - Lukis & McGregor Streets	Infrastructure	Upgrade	152,000		152,000	-	-	-	-	(152,000)	
Intersection - Murdoch Drive & Brolga Way	Infrastructure	Upgrade	205,500		205,500	(96,632)	-	-	-	(108,868)	
Intersection - Murdoch Drive & Masters Way	Infrastructure	Upgrade	205,500		205,500	(96,632)	-	-	-	(108,868)	
North Circular Roundabout Landscape and Intersection Upgrades	Infrastructure	Upgrade	200,000		200,000	(200,000)	-	-	-	-	
Line marking & Traffic Calming	Infrastructure	Renewal	100,000		100,000	(50,000)	-	-	-	(50,000)	
Pinga st	Infrastructure	Renewal	112,000		112,000	(37,315)	-	-	-	(74,685)	
Kerbing Renewal Program	Infrastructure	Renewal	100,000		100,000	(100,000)	-	-	-	-	
Carparks Renewal Program	Infrastructure	Renewal	270,000		270,000	-	(270,000)	-	-	-	
Drainage Construction Wanangkura Stadium & Faye Gladstone Netball Courts	Infrastructure	Upgrade	410,957		410,957	-	(410,957)	-	-	-	
Total Road Program			6,609,203	6,609,203	7,136,285	(3,710,297)	(1,846,269)	-	-	(1,579,719)	
WASTE PROJECTS											
Upgrades to staff welfare facilities - Landfill	Infrastructure	New	886,000		886,000	-	(886,000)	-	-	-	
ICT Software Landfill	Furniture & Equipment	New	30,000		30,000	-	(30,000)	-	-	-	
Total Waste Projects			916,000	916,000	916,000	-	(916,000)	-	-	-	
TOTAL Capital Works Program			21,160,502	21,160,502	22,259,080	(5,824,165)	(11,553,295)	(1,616,559)	(150,000)	(3,115,061)	



TOWN OF PORT HEDLAND
STATEMENT OF FINANCIAL ACTIVITY
BUDGET REVIEW (FIRST QUARTER) FOR PERIOD ENDED 31 OCTOBER 2017
OPERATIONAL PROJECTS

Operational Project	Budget 2017/18	Amendments	Proposed Budget	Funding			Commentary
				Municipal Funded	Reserve Funded	Grants, Subsidies & Contributions	
Building Asset Fire Safety Audit 2017/18	100,000		100,000	(100,000)		-	
Tyre Management Project	1,500,000		1,500,000		(1,500,000)		
Landfill Closure Plan And Overview	150,000		150,000		(150,000)		
Illegal Dumping Account	50,000	50,000	100,000		(50,000)	(50,000)	Additional funds requested to expand the scope of the Illegal Dumping project and investigate long term solutions (2 Mile \$60k; Collier Drive \$40k). To be funded from the Waste Management Reserve.
CHRMAP	150,000		150,000		(150,000)		
Community Facilities Strategy Review	20,000		20,000	(20,000)			
Local Planning Strategy	100,000		100,000	(19,750)	(80,250)		
Port/South Hedland Active Open Space Strategy Plan	75,000		75,000	(75,000)			
Local History Collection Digitilisation	75,000		75,000			(75,000)	
Dual/Shared Use Path Masterplan	40,000		40,000		(40,000)		
Road Safety Audit & Compliance Improvement	60,000		60,000	(60,000)			
Corporate Security Improvements	50,000		50,000	(50,000)			
Strategic Community Plan Engagement	200,000		200,000	(113,000)	(87,000)		
NEW - Landfill OHS		102,000	102,000		(102,000)		Require additional unbudgeted amounts for OHS issues which have come to light as a result of recent safety review. Work required to include traffic management, Landfill drainage and operator compliance training. To be funded by the Waste Management Reserve.
			0				
TOTAL Operational Projects	2,570,000	152,000	2,722,000	(437,750)	(2,159,250)	(125,000)	



**TOWN OF PORT HEDLAND
DISPOSAL OF ASSETS
BUDGET REVIEW (FIRST QUARTER)
FOR PERIOD ENDED 31 OCTOBER 2017**

By Program	\$		2017/2018 Original Budget		\$		2017/2018 Amended Budget	
	Net Book Value	Sale Proceeds	Profit	Loss	Net Book Value	Sale Proceeds	Profit	Loss
Economic Services								
Kingsford Smith Business park	126,842	150,000	23,158		507,369	661,818	154,449	
Catamore Court								
Other Property & Services								
Plant Replacement Programme	150,000	150,000	-		150,000	150,000	-	
	276,842	300,000	23,158		657,369	811,818	154,449	
By Class								
	Net Book Value	Sale Proceeds	2017/2018 Original Budget					
			Profit	Loss				
Land and Buildings								
Kingsford Smith Business park	126,842	150,000	23,158		507,369	661,818	154,449	
Catamore Court			23,158		-	-		
Plant and Equipment								
Plant Replacement Program	150,000	150,000			150,000	150,000	-	
	276,842	300,000	23,158	0	657,369	811,818	154,449	