



**TOWN OF PORT HEDLAND  
SCHEDULE OF BUDGET VARIATIONS  
ANNUAL BUDGET 2016/17**

		Current Budget	Proposed Budget	Variation	Explanation
<b>Airport Projects Expenditure – Transfer to Reserves</b>	Reserve	3,517,717.00	3,852,000.88	334,283.88	Identified that \$334,283.88 was drawn from the Airport Reserve in 15/16 for expenditure which was not related to the operations of the Airport. This is an adjustment to the account for the final position of the Airport as per the Annual Financial Statements to return these funds to the Airport Reserve.
<b>Styles Road Roundabout – Consultants</b>	Capital	-	65,000.00	65,000.00	Expected for this project to be completed at the end of 2015/16 financial year, and was not included as part of the carry forwards. Invoices have carried over into 2016/17 so amending budget to reflect this.
<b>Footpath Construction – Contractors</b>	Capital	-	58,000.00	58,000.00	Expected for this project to be completed at the end of 2015/16 financial year, and was not included as part of the carry forwards. Invoices have carried over into 2016/17 so amending budget to reflect this.
<b>Records Management Software – Capital Expenditure Upgrade</b>	Capital	-	225,000.00	225,000.00	Independent audits of the current Records Management in March 2015 and July 2016 which both recommend implementation of a new Record Management System for the Town. Our current System is non-compliant with State Records guidelines around digital recordkeeping which provides a high risk for the Town. It's non user friendly nature means staff members are primarily working out of their Outlook inbox and network drives, meaning the organisations information and records is not being managed in line with the State Records Act 2000. Only 20-25 staff add items into the Central Records module in Synergy on a regular to semi-regular basis. We are frequently needing to expand our digital storage due to carrying excess amounts of legacy data on network drives.
<b>Schilleman St Clean-Up (Job) – Contractors</b>	Operational	-	108,000.00	108,000.00	Currently 17 Schilleman St, Wedgefield is not in a fit state due to a large amount of debris and structures left from previous occupants. The Town is required to clear this site from possible contamination and remove the risk from loose objects in the event of a cyclone. This will result in the land parcel being able to be leased - interest for this lease has been received from a community group. Cost breakdown: \$53,000 for the clean up and \$55,000 for Landfill Fees for possibly contaminated soil based on quotes received from the RFQ process.



**TOWN OF PORT HEDLAND  
PROPOSED BUDGET VARIATIONS  
ANNUAL BUDGET 2016/17  
BY NATURE & TYPE**

	Current Budget	Proposed Budget	Variance
	\$000's	\$000's	\$000's
<b>Operating Revenue</b>			
Rates	23,684	23,684	0
Operating grants, subsidies & contributions	8,459	8,459	0
Fees & charges	12,329	12,329	0
Interest earnings	7,391	7,391	0
Other revenue	2,196	2,196	0
<b>Total Operating Revenue</b>	<b>54,058</b>	<b>54,058</b>	<b>0</b>
<b>Operating Expenditure</b>			
Employee costs	(21,839)	(21,839)	0
Materials & contracts	(29,965)	(30,073)	(108)
Utilities	(2,515)	(2,515)	0
Depreciation	(13,839)	(13,839)	0
Interest expenses	(1,260)	(1,260)	0
Insurance expenses	(1,044)	(1,044)	0
Other expenditure	(2,829)	(2,829)	0
<b>Total Operating Expenditure</b>	<b>(73,291)</b>	<b>(73,399)</b>	<b>(108)</b>
<b>Operating Surplus/(Deficit)</b>	<b>(19,233)</b>	<b>(19,341)</b>	<b>(108)</b>
<b>Add Back Non Cash Items</b>			
Depreciation	13,839	13,839	0
Profit / loss on disposal of assets	(210)	(210)	0
Transfer to/ (from) non current	(924)	(924)	0
<b>Capital Expenditure and Revenue</b>			
Acquisition of infrastructure, property, plant and equipment	(21,429)	(21,777)	(348)
Proceeds from disposal of assets	870	870	0
Non-operating grants, subsidies & contributions	5,147	5,147	0
New loan borrowings	0	0	0
Proceeds from self supporting loans	98	98	0
Transfer from reserves	32,095	32,095	0
Loan principal repayments	(1,179)	(1,179)	0
Transfer to reserves	(12,867)	(13,201)	(334)
<b>Estimated Municipal Surplus / (Deficit) Brought Forward 1 July 2016</b>	<b>3,765</b>	<b>5,650</b>	<b>1,885</b>
<b>Estimated Municipal Surplus / (Deficit) Carried Forward 30 June 2017</b>	<b>(28)</b>	<b>1,066</b>	<b>1,094</b>