



**AGENDA OF
AUDIT COMMITTEE
MEETING
COMMENCING AT 4.00PM
WEDNESDAY
11 MARCH 2009**

Councillors:

Please be advised that the next audit Committee Meeting will be held as above.

**Neville A Hale
Chief Executive Officer
6 March 2009**

SHIRE OF NORTHAM

Notice and Agenda of the Audit Committee to be held in the Council Chambers on Wednesday, 11 March 2009 at 4:00 pm

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Northam for any act, omission or statement or intimation occurring during Council/Committee meetings or during formal/informal conversations with staff. The Shire of Northam disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council/Committee meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of Northam during the course of any meeting is not intended to be and is not taken as notice or approval from the Shire of Northam. The Shire of Northam warns that anyone who has an application lodged with the Shire of Northam must obtain and only should rely on **WRITTEN CONFIRMATION** of the outcome of the application, and any conditions attaching to the decision made by the Shire of Northam in respect of the application.

1. **DECLARATION OF OPENING AND WELCOME**

Parts of Division 6 Subdivision 1 of the Local Government Act 1995 requires Council members and employees to disclose any direct or indirect financial interest or general interest in any matter listed in this agenda.

The Act also requires the nature of the interest to be disclosed in writing before the meeting or immediately before the matter being discussed.

NB A Council member who makes a disclosure must not preside or participate in, or be present during, any discussion or decision making procedure relating to the disclosed matter unless the procedures set out in Sections 5.68 or 5.69 of the Act have been complied with.

2. **DECLARATION OF INTEREST**

3. ATTENDANCE

MEMBERS

President
Deputy President
Councillors

Cr S B Pollard (Chairman)
L B Glass
K D Saunders
U Rumjantsev
R W Tinetti
T M Little
G N Beazley
T M Letch
R M Head
A W Llewellyn

Chief Executive Officer
Manager Finance & Administration

N A Hale
D R Gobbart

GALLERY

4. APOLOGIES

5. CONFIRMATION OF MINUTES

6. AGENDA ITEMS

6.1 MEETING WITH THE SHIRE OF NORTHAM AUDITORS

Name of Applicant:	Internal Report
File Ref:	8.2.7.1
Officer:	Eddie Piper / Denise Gobbart
Policy:	Local Government At 1995, Local Government (Audit) Regulation 1996, DLGRD Operational Guidelines-Audit Committees in Local Government No 9
Voting:	Simple Majority
Date:	4 March 2009

PURPOSE

Council to accept telephone conversation link up with Council's Auditor Mr David Tomasi from UHY Haines Norton.

BACKGROUND

As required by Part 7 of the Local Government (Audit) Regulations 1996, where the local government is to meet with the auditor at least once every year. NB: It does not require the Audit Committee to meet with the Auditor rather the local Government is to meet with the Auditor at least once each year. It should be noted that there will be a fee involved for the auditor to visit the Shire of Northam in person due to travelling and time.

A telephone link up has been arranged with Council's Auditor Mr David Tomasi from UHY Haines Norton at 4.00 pm. NB: Mr Tomasi will be available for approx 15 minutes.

STATUTORY REQUIREMENTS

The Local Government (Audit) Regulations 1996 Section 7.12A (2) states '*that the Local Government (Council) is to meet with the Auditor at least once each year*'. Council will need to resolve via a formal delegation, a meeting between the Audit Committee and the Auditor by telephone link up would satisfy this requirement.

CONFORMITY WITH THE PLAN FOR THE FUTURE

Nil

BUDGET IMPLICATIONS

Nil

OFFICER'S COMMENT

Topics to be discussed with the auditor include;

- Review of Shire of Northam Auditors Report (Unqualified)
- Review of Shire and Town of Northam Management Report Letters
- General Business

RECOMMENDATION

1. **That Council agrees via a formal delegation, a meeting between the Audit Committee and the Auditor by telephone would satisfy the requirements of Section 7.12A(2) the Local Government (Audit) Regulations 1996 and that the minutes of the meeting show the auditor was involved and the matters discussed.**
2. **That the verbal report by the Shire Auditor Mr David Tomasi from UHY Haines Norton be noted in the minutes and received.**

Simple Majority Vote Required

6.2 Council Meeting

2007/08 ANNUAL REPORT & ANNUAL ELECTORS MEETING FOR THE SHIRE OF NORTHAM

Name of Applicant:	Internal Report
File Ref:	8.2.7.1
Officer:	Acting Manager Finance & Administration E. W. Piper
Officer Interest:	
Policy:	Local Government Act 1995 & LG (FM) Regs 1996
Voting:	Simple Vote Required
Date:	25 February 2009

PURPOSE

For Council to consider and if acceptable receive the Annual Report for the year ended 30 June 2008 for the Shire of Northam and endorse the date for the Annual Electors Meeting set by the Chief Executive Officer.

BACKGROUND

There have been considerable delays in completing the Annual Financial Report for the year ended 30 June 2008 and approval was sought by the Shire of Northam's auditor for approval to complete the Financial Reports and Audit by 27 February 2009.

Section 5.54 'Acceptance of Annual Reports' of the Local Government Act 1995 requires a Annual Report to be accepted by Council by 31 December in each year unless the Auditors Report is not available in time.

The Local Government Act 1995 Section 5.54(2) requires that if the Annual Report is not accepted by the Local Government by 31 December then it must be presented within two (2) months of the Auditors Report becoming available.

The accounts were presented to the Auditors in February 2009 and the Audit completed and signed off on 19 February 2009.

STATUTORY REQUIREMENTS

Local Government Act 1995, Section 5.54

Local Government Act 1995, Section 5.55

CONFORMITY WITH THE PLAN FOR THE FUTURE

Nil

BUDGET IMPLICATIONS

Nil

OFFICER'S COMMENT

Council is requested to accept the Annual Report for the year ended 30 June 2008 for the Shire of Northam and set a meeting date for the Annual Electors Meeting which must be held within 56 days after acceptance of the Annual Report.

A copy of the management letter is also attached for council perusal for comment.

RECOMMENDATION

That Council:-

- 1. Receive the Annual Report for the year ended 30 June 2008 for the Shire of Northam,**
- 2. Authorise the Chief Executive Officer to give public notice of the availability of the Annual Report from Monday 30 March 2009,**
- 3. Hold its Annual Electors meeting in the Shire of Northam Council Chambers on 6 April 2009 at 7.30pm and give at least fourteen (14) days Local public notice of the date and availability of the Annual Report for the year ended 30 June 2008.**

Simple Majority Vote Required

6.3 MID YEAR BUDGET REVIEW

Name of Applicant:	Internal Report
File Ref:	8.2.8.1
Officer:	Denise Gobbart / Eddie Piper
Officer Interest:	Nil
Policy:	N/A
Voting:	Simple Majority
Date:	5/03/2009

PURPOSE

For Council to consider the Budget Review and to determine whether or not to adopt the review, any parts of the review or the recommendation.

BACKGROUND

In accordance with the Local Government Act 1995 (as amended) the Shire is required before 31 March 2009, to carry out a review of its Annual Budget for the year ended 30 June 2009.

STATUTORY REQUIREMENTS

Local Government Act 1995.

Local Government (Financial Management) Regulations 1996 – s33A – Review of Budget.

CONFORMITY WITH THE PLAN FOR THE FUTURE

Key Result Area: The Shire Organisation.

Outcome – to operate in a sustainable manner.

The budget review process is aimed at ensuring this objective is being met.

BUDGET IMPLICATIONS

The Shire of Northam appears to be in a reasonable position as at 31 January 2009. However, budget to actual is distorted by a number of timing differences attributable to poor allocation of budget income and expense across the monthly timeline.

OFFICER'S COMMENT

There are numerous areas within the Budget that require further and more in-depth investigation. No amendments to current budget allocations are recommended until the newly appointed Manager has undertaken necessary investigations. It is proposed that adjustments to budget will be presented to the next meeting of Council.

RECOMMENDATION

That Council:-

- 1. That the Budget Review conducted for the seven (7) months ended 31 January 2009 be received.**
- 2. That the Manager for Finance and Administration be requested to provide recommendation of revised budget allocation to the April meeting of Council.**

Simple Majority Vote Required

Shire of Northam Report on Budget Variances

For the 7 Months to 31 January 2009

In accordance with the Local Government (Financial Management) Regulations 1996, Regulation 33A – Budget Review, Officers have prepared for Council consideration a report on Budget Year to Date (YTD) to Actual Year to Date (YTD) variances to 31 January 2009.

The Shire of Northam overall appears to be in a very reasonable position with a surplus as at 31 January 2009 of \$2,528,651 (Budget) against actual of \$4,109,988 which is an excess of \$1,581,337. As will be explained later in the report there are numerous areas which require investigation and until these are carried out it would be dangerous to recommend major transfers / adjustments.

With this in mind and recognising that a new Manager and Administration only took up employment in late February 2009 the Officer's Recommendation will be that a further review be conducted on the accounts where transfer recommendations will be made.

OPERATING REVENUE

The YTD Budgeted Operating Revenue amount of \$12,123,987 is less than the YTD Actual of \$12,940,620 by \$816,633.

This seems rather excessive however the bulk is made up of grants received but not budgeted for and losses from sale of assets that have not been realised.

Following is a summary of each Program and the various variances within each.

Governance:

The governance area of revenue is distorted by the budgeted Loss on Sale of Asset of \$38,962 which has not come to realisation. By removing this the 7 Months Budget is \$35,994 against an actual of \$22,988 a 36% difference. The problem is account 04053103 Lease Fees Old Town Building, which have not yet had revenue raised for 2008-09 (Budget YTD is \$16,037) however this has since been corrected.

General Purpose Funding:

This area is within limits when Rates are included with YTD Budget being \$7,020,759 against YTD Actual of \$7,013,142.

Law, Order, Public Safety:

There is an under receiving of \$139,012 which is essentially the non-receipt of FESA Grants totalling \$163,331 which have been incorrectly distributed in the Budget. The Grant is for the acquisition of the Inkpen and Southern Brook Bush Fire Brigade Fire Units that have not occurred. The Grant is expected in May/June however the Capital Expenditure will not occur until 2009-10 at the earliest.

Further a Crime Prevention Partnership Grant has not been received (\$17,500).

Health:

The difference is an excess of revenue against Budget of \$34,473 which is represented by a budget loss on Sale of Asset of \$39,823 which has not yet occurred as the vehicles have not yet been replaced.

Education & Welfare:

There is a substantial variation in revenue with a YTD Budget of \$445,563 against a YTD Actual of \$720,492 which is \$274,929. This is almost fully the receipt of Grants to 31 January 2009 in excess of the budget allocation to the same date. An analysis of each grant reveals that the third quarter payment (January-March) has been received in January 2009 whilst budgeted in March 2009.

Housing:

Revenue is in line with YTD Budget.

Community Amenities:

An excess of actual revenue over YTD Budget of \$83,260, this variation involves four accounts;

1. A/C 10253033 – Old Quarry Road Tipping Fees
The YTD Budget of \$99,162 has been exceeded by \$27,500 to date.
2. A/C 10263013 – Septage Disposal Fees
There is an under receipting of \$24,466 in this area.
3. A/C 10303043 – Bond – O/S Subdivision Works
Revenue of \$41,798 against budget of Nil needs investigation. It appears on the face of the account this amount should be held in Trust and may need to be transferred.

4. A/C 10306001 – Profit/Loss on Sale of Asset
The sale of the vehicle has not occurred and therefore the forecast loss of \$29,400 has not occurred.

Recreation & Culture:

The YTD Budget of Recreation and Culture is \$274,519, whilst the actual is \$228,707 resulting in a shortfall of \$45,812. An assessment of the various sub-programs within the program reveals the following:

- Public Halls, Civic Centres:
Income is in line with Budget;
- Swimming Areas:
Actual Income exceeds Budget by \$20,989 and is mainly A/C 11333163 (Northam Pool Stock Sales) where the actual is \$19,530 against a Budget of Nil. It appears a Budget error has occurred.
- Other Sport and Recreation:
The non receipt to date of a budgeted \$150,000 grant of which \$87,500 has been pro rata to date for the part funding of Northam Pool works has impacted in the YTD.

Transport:

There is an excess of Actual over Budget of \$324,658 which is accounted for in several sub-programs.

- Construction:
Regional Road Group Funding of \$227,572 has been received however it was budgeted for receipt in the fourth quarter (April-June 2009).
- Maintenance:
Government Grants – Direct (MRWA) has a YTD Budget of \$61,873 however \$106,075 has been received. This is attributable to incorrect monthly allocation of the Budget.
- Road Plant Purchases:
A profit on Sale of Assets of \$47,387 has occurred against a Budget of Nil.
- Traffic Control:
 - Transport Licensing Fees
An excess of \$181,150 has occurred however this is offset by expenditure.
 - Agency License Commission
Additional Income to Budget of \$16,705 has occurred.

Economic Services:

The total YTD Income of \$316,464 is \$163,941 in excess of the YTD Budget of \$152,523. The bulk of the additional income is within the Tourism Area accounting for \$61,000 mainly from two (2) festivals (Motor Cycle \$24,572 and Wild Oats \$22,639).

Building Control has extra Permit Fees, (\$10,344) and a Budget loss on Sale of Asset (\$40,292) which has not occurred.

The Retic System Income has generated an additional \$16,000 and the Sale of Gravel Lot 291, has added an extra \$17,885 over the YTD Budget.

The Visitor Centre has an Additional Income of \$21,074 mainly from A/C 13773043 (Accommodation) which is offset in Expenditure.

Other Property and Services:

There is an excess of actual over Budget of \$101,625 which is mainly associated with Insurance – Workers Compensation Reimbursement (\$23,849) and Insurance Claims (\$60,724).

OPERATING EXPENDITURE

The year to date Budget Operating Expenditure is \$10,181,570 whilst the Actual is \$9,750,807 creating a saving of \$430,763.

These are distributed throughout the programs however, as is pointed out in the detail Public Works Overheads (PWO) and Plant Operation Costs (POC) are well under-recovered and when corrected will impact on all areas where day labour and plant are utilised.

Generally when considering the above the savings are almost \$700,000 and there can be several reasons for this:

- Incorrect Budget;
- Not all programmed Works have been undertaken;
- Costs still to be processed.

Any of or a combination of the above can be the cause and a thorough check needs to be made.

General Purpose Funding:

This area covers Rates Expenditure and the YTD Budget exceeds the Actual by \$47,994. The areas of savings are Legal Costs Recoverable (\$11,662), Administration Allocation (\$4,479) and Debt Collection Fees (\$10,780). There is an issue with the monthly Budget distribution and one can expect expenditure to increase significantly over the coming five (5) months.

Governance:

A saving to date of \$78,868 is mainly related to Governance (Membership) where the YTD Budget of \$410,451 is matched to the Actual of \$339,399, a saving of \$71,052. The major savings areas are Refreshments and Receptions (\$21,200), Merger Expenses (\$38,104) and Administration Allocation (\$21,894). Again one can expect costs to increase in the next few months.

Law, Order, Public Safety:

The YTD actual of \$447,690 is \$58,292 less than the YTD Budget of \$505,982. The major savings is in "Crime Prevention Partnership" where Budget exceeds Actual by \$21,750. As with the Income Area the Grant is to be reviewed or transferred from "Restricted Cash" and the expenditure will increase in the next few months. The balance is essentially savings in Administration Allocations.

Health:

This area is in line with Budget predictions.

Education and Welfare:

This area mainly covers the Killara Operations and whilst the Total Expenditure is considerable (Budget \$533,435) the Variance between Budget and Actual is \$16,942 or only 3%, well within the material margin.

Housing:

This area is in line with Budget predications.

Community Amenities:

There are savings to Budget in this area of \$241,771 and they are spread over various areas. Details as follows:

- Sanitation – Household:
Refuse Collection – YTD Budget of \$240,345 against Actual of \$214,613 realising savings of \$25,732.

Rubbish Site Maintenance – YTD Budget of \$304,084 against Actual of \$236,087 realising savings of \$67,997.
- Sanitation Other:
Septage Pond Maintenance – YTD Budget of \$45,206 against Actual of \$14,381 realising a savings of \$30,825.
- Urban Stormwater Drainage:
Area Drainage is overspent to Budget by \$38,818 which is no doubt accountable to recent floods in Northam.
- Town Planning & Regional Development:
A major savings to Budget YTD of \$109,567 is almost totally attributable to “Consultants” where actual expenditure of \$10,637 against a Budget of \$92,546 creates a savings of \$81,909. Council is currently out to “EOI” for Town Planning Consultancy and it can be expected that this saving will be utilised in the coming months.

Recreation and Culture:

Savings in this area amount to \$322,159 and are distributed generally throughout the Various Sub Programs in this area. Details follow:

- Public Halls Civic Centre:
Town Hall Maintenance – a saving of \$16,570 or 61% - special maintenance programs are in place.

Memorial Hall Maintenance – A saving of \$13,472 or 52%.
- Swimming Areas:

Considerable savings probably reflect incorrect Budget monthly distribution. The savings total \$72,200 or 28% and should reduce over the coming three (3) months.

- **Other Recreational Sport:**
Savings to the extent of \$172,379 have been revealed and are distributed throughout the Sub Program. An investigation into cost allocations needs to be under taken prior to any recommendation to take up savings.
- **Library:**
This area is in line with Budget predictions.
- **Other Culture:**
There are savings of \$17,680 and these are mainly due to incorrect Budget monthly allocations.

Transport:

The expenditure level is high in this area (\$4,535,844 Budget) but it includes Traffic Licensing which is offset by Income (\$2,514,480). This aside the savings for the whole Transport area amount on only \$72,517 or 3% and are within material margins.

One area of savings which may be long term is Roadworks Maintenance where the Actual YTD of \$281,505 is \$145,121 less than the Budget.

Also Aerodrome Maintenance is \$18,315 under budget (93%).

Economic Services:

There is an over expenditure in this area where the Budget is \$867,552 against Actual of \$943,800. The over expenditure is \$76,248 and is accounted for as follows:

- **A/C 13442002 – Noxious Weeds/Pest Plants:**
The expenditure of \$33,343 already exceeds the annual allocation of \$25,720 and a Budget adjustment is necessary.
- **A/C 13452012 – Area Promotion:**
Again expenditure exceeds the annual allocation and a Budget adjustment is necessary.
- **A/C 13452102 – Special Event Sponsorship:**
As above.

- A/C 13452162 – Motorcycle Festival:
A Budget (Annual) of \$45,000 has had expenditure allocated of \$86,127 and whilst additional income of \$24,572 was received the Actual still exceeds the Budget.
- A/C 13492012 – Maintenance Council Property:
There are considerable savings in this area (\$32,826) and one must query whether all scheduled maintenance is being undertaken.

Other Property and Services:

There is a major problem in this area with Public Works Overheads being under recovered by approximately \$104,000 and Plant Operation Costs by approximately \$164,000. These under recovered totalling \$268,000 need to be redistributed on jobs that have utilised labour and plant and can effect all schedules.

The Manager Works and Services needs to review all labour and plant rates to ensure proper recovery is made.

CAPITAL EXPENDITURE

Governance:

A/C 04049004 – Furniture & Office Equipment

YTD Budget \$14,581 YTD Actual Nil

This provision is for the purchase of laptops. Quotes are currently being reviewed for this purchase.

A/C 04059014 – Plant & Equipment

YTD Budget \$43,456 YTD Actual \$74,268

Both vehicles have been purchased in the second quarter. The variance is due to an incorrect distribution of funds in the budget forecast periods.

A/C 04059024 – Land & Buildings

YTD Budget \$28,644 YTD Actual \$4,684

The variance is due to the following projects which are yet to be commenced; Upgrade of Lighting, Purchase Multimedia Projector & Screen and the Replacing of Carpets lower level of the old Town office.

A/C 04049004 – Furniture & Office Equipment

YTD Budget \$14,434 YTD Actual \$2,253

Quotes are currently being reviewed for the replacement computer equipment.

Law, Order, Public Safety:

A/C 05067024 – Brigade Appliance (5 Year Plan)

YTD Budget \$163,331 YTD Actual Nil

This expense is for the acquisition of the Inkpen & Southern Brook Fire Fighting Appliances that have not occurred. The variance is due to an incorrect distribution of funds in the budget forecast periods.

Health:

A/C 07147004 – Plant & Equipment

YTD Budget \$34,412 YTD Actual \$56,748

Both vehicles have been purchased in the second quarter. The variance is due to an incorrect distribution of funds in the budget forecast periods.

Education and Welfare:

A/C 08219004 – HACC Day Care Plant & Equipment

YTD Budget \$31,500 YTD Actual Nil

Both vehicles are yet to be purchased. The variance is due to an incorrect distribution of funds in the budget forecast periods.

A/C 08729124 – NRCP Carer Respite Land & Buildings

YTD Budget Nil YTD Actual \$25,025

No provision was allowed for within the budget. The expenditure relates to prior year non recurrent funds which are being held in Reserve and require a transfer to Municipal.

Housing:

A/C 09249014 – Kuringal Village Long Term Mtc

YTD Budget \$20,685 YTD Actual \$4,091

The Hot Water systems have been replaced as per budget, other projects are awaiting commencement.

Community Amenities:

A/C 10259004 – Infrastructure Refuse Site

YTD Budget \$23,331 YTD Actual Nil

The cell development works are to commence in the third quarter. The variance is due to an incorrect distribution of funds in the budget forecast periods.

A/C 10309004 – Plant & Equipment

YTD Budget \$34,412 YTD Actual Nil

The vehicles are yet to be purchased. The variance is due to an incorrect distribution of funds in the budget forecast periods.

A/C 10317004 – Land & Buildings

YTD Budget \$116,662 YTD Actual Nil

Construction of the new Toilet Facilities in Bernard Park has commenced with the first progress payment of \$51,000 made in February. The variance is due to an incorrect distribution of funds in the budget forecast periods.

Recreation and Culture:

A/C 11329004 – Land & Buildings

YTD Budget \$21,000 YTD Actual \$28,573

Installation of air conditioning to the Wundowie Hall has been completed. The variance is due to an incorrect distribution of funds in the budget forecast periods.

A/C 11329014 – Southern Brook Hall

YTD Budget \$26,250 YTD Actual Nil

Works on the new Toilets have commenced with concrete pad laid. The project is due for completion in time for the Centenary. The variance is due to an incorrect distribution of funds in the budget forecast periods.

A/C 11339024 – Land & Buildings

YTD Budget \$27,853 YTD Actual \$7,669

The Chlorine Gas Detector has been installed; other works are yet to be completed. The variance is due to an incorrect distribution of funds in the budget forecast periods.

A/C 11339034 – Capital Works Wundowie Pool

YTD Budget \$13,867 YTD Actual \$973

The works will be commencing in the third quarter. The variance is due to an incorrect distribution of funds in the budget forecast periods.

A/C 11339104 – Land & Buildings

YTD Budget \$192,381 YTD Actual \$8,184

The basketball court lighting project has been undertaken. The Bakers Hill Pavilion Sealing Access Road and the Northam Pool Capital Works are yet to commence. The variance is due to an incorrect distribution of funds in the budget forecast periods.

A/C 11349204 – Plant & Equipment

YTD Budget \$19,831 YTD Actual \$8,500

The Floor Polisher has been purchased, with other projects outstanding. The variance is due to an incorrect distribution of funds in the budget forecast periods.

A/C 11349404 – Infrastructure Parks

YTD Budget \$5,831 YTD Actual \$69,782

This account is over budget due to the replacement of vandalised play equipment. These funds are offset by an insurance claim refund of \$63,646, held in A/C 14563003.

A/C 11359104 – Furniture & Equipment - Libraries

YTD Budget \$38,703 YTD Actual \$2,135

The variance is due to an incorrect distribution of funds in the budget forecast periods. Works on the shelving has been completed in this quarter.

Transport:

A/C 12379014 – Footpath Construction

YTD Budget \$116,655 YTD Actual \$18,400

Construction of footpaths are currently being undertaken, the variance is due to an incorrect distribution of funds in the budget forecast periods.

A/C 12379044 – Roadworks – Project Grants

YTD Budget \$65,888 YTD Actual \$477,057

The annual budget for these projects is \$410,450, all projects have been completed. Additional works were undertaken on the Irishtown Road project leading to an over expenditure of \$75,062 against the allocated funds of \$344,290. The YTD variance is due to an incorrect distribution of funds in the budget forecast periods.

A/C 12379054 – Roadworks – General Construction

YTD Budget \$0 YTD Actual \$9,603

The YTD variance is due to an incorrect distribution of funds in the budget forecast periods. Projects will proceed as per budget.

A/C 12379064 – Bridge Construction

YTD Budget \$0 YTD Actual \$8,000

The YTD variance is due to an incorrect distribution of funds in the budget forecast periods. This project is being managed by Main Roads WA.

A/C 12379084 – Road Construction Supplementary Funding

YTD Budget \$26,208 YTD Actual \$372

The YTD variance is due to an incorrect distribution of funds in the budget forecast periods

A/C 12379104 – Special Projects Black Spot

YTD Budget \$128,460 YTD Actual \$0

The YTD variance is due to an incorrect distribution of funds in the budget forecast periods

A/C 12379114 – RtR – Ex Old ToN

YTD Budget \$0 YTD Actual \$15,000

No budget provision was allowed for this project. Advice was given by DoTARS that the project was underspent due to the inclusion of depreciation in the total project cost. Depreciation expenses were not a recoverable item under Roads to Recovery funding. Funds have now been utilised on projects to fulfil our commitment.

A/C 12429014 – Airport Infrastructure

YTD Budget \$246,596 YTD Actual \$167,495

The Internal for 3 phase power has occurred; the Shire is waiting for Western Power to proceed with the connection of the 3 phase power, for which a provision of \$133,000 was allowed in the budget. Other sealing works have been completed in this quarter.

Economic Services:**A/C 13459104 – Land & Buildings**

YTD Budget \$17,500 YTD Actual Nil

Works are yet to be undertaken on the air conditioning. The variance is due to an incorrect distribution of funds in the budget forecast periods.