



Quarterly Budget Review Statement
December 2017

2017-18 FINANCIAL YEAR



PO Box 492, Bega NSW 2550

P. (02) 6499 2222

F. (02) 6499 2200

E. council@begavalley.nsw.gov.au

W. begavalley.nsw.gov.au

ABN. 26 987 935 332

DX. 4904 Bega

Table of Contents

	page
1. Responsible Accounting Officer's Statement	1
2. Income & Expenses Budget Review Statement's	
- Income & Expenses-by Type	2
- Income and Expenses- by Activity	3
- Income and Expenses- Variation Detail	5
- Capital Budget Review Statement-by Type	10
- Capital Budget- Variance Detail	11
4. Cash & Investments Budget Review Statement	
- Cash & Investments Budget Review Statement	12
- Cash & Investments Budget- Variance Detail	14
5. Key Performance Indicator (KPI) Budget Review Statement	
Council KPIs	16
6. Contracts & Other Expenses Budget Review Statement	19

Report by Responsible Accounting Officer

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulations 2005:

It is my opinion that the Quarterly Budget Review Statement for Bega Valley Shire Council for the quarter ended 31/12/17 indicates that Council's projected financial position at 30/06/18 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.



Signed:

Graham Stubbs
Chief Financial Officer

Date:

12/02/2018

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2017

Income & Expenses - Council Consolidated

(\$000's)	Original Budget 2017/18	Approved Changes			Revised Budget 2017/18	Variations for this Dec Qtr		Notes	Projected Year End Result	Budget YTD figures	Actual YTD figures
		Sep QBRS	Dec QBRS	Mar QBRS		Dec	Qtr				
Income											
Rates and Annual Charges	49,105	-	-	-	49,105	-	-	1	49,105	24,364	48,234
User Charges and Fees	18,186	-	-	-	18,186	-	-	2	18,186	8,951	9,265
Investment Income	1,379	-	-	-	1,379	-	-	3	1,379	689	767
Other Revenues	843	-	-	-	843	-	-		843	398	559
Grants and Contributions Operating	13,472	6,400	-	-	19,872	2,012	-	4	21,884	14,335	7,063
Grants and Contributions Capital	6,522	3,748	-	-	10,270	(4,120)	-	5	6,150	4,949	3,313
Net gain from disposal of assets	-	-	-	-	-	-	-		-	-	-
Share of Interests in Joint Ventures	-	-	-	-	-	-	-		-	-	-
Total Income from Continuing Operations	89,507	10,148	-	-	99,655	(2,108)			97,547	53,686	69,201
Expenses											
Employee Costs	31,920	-	-	-	31,920	(200)	-	6	31,720	15,920	15,208
Finance Costs	2,243	-	-	-	2,243	(120)	-	7	2,123	1,122	732
Materials & Contracts	21,673	7,558	-	-	29,231	2,046	-	8	31,277	17,666	12,431
Depreciation & Amortisation	26,229	-	-	-	26,229	-	-	9	26,229	13,115	11,506
Other Expenses	6,757	-	-	-	6,757	-	-	9	6,757	3,127	3,260
Net Loss from disposal of assets	-	-	-	-	-	-	-		-	-	-
Total Expenses from Continuing Operations	88,822	7,558	-	-	96,380	1,726			98,106	50,950	43,137
Net Operating Result from Continuing Operations	685	2,590	-	-	3,275	(3,834)			(559)	2,737	26,064
Discontinued Operations - Surplus/(Deficit)	-	-	-	-	-	-	-		-	-	-
Net Operating Result from All Operations	685	2,590	-	-	3,275	(3,834)			(559)	2,737	26,064
Net Operating Result before Capital Items	(5,837)	(1,158)	-	-	(6,995)	286			(6,709)	(2,213)	22,751

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2017

Income & Expenses - Council Consolidated

(\$000's)	Original Budget 2017/18	Approved Changes			Revised Budget 2017/18	Variations for this Dec Qtr	Notes	Projected Year End Result	Budget YTD Figures	Actual YTD figures
		Sep QBRS	Dec QBRS	Mar QBRS						
Income										
Children, Families and Ageing	3,956	-	-	-	3,956	1,400	10	5,356	2,678	2,782
Community, Culture and Information	855	-	-	-	855	-	11	855	428	747
Community, Relations & Leisure Coordination	-	-	-	-	-	-	12	-	-	1
Leisure and Recreation	972	-	-	-	972	-	13	972	486	495
Organisation Development & Governance	165	-	-	-	165	-	14	165	83	79
Building and Health Services	1,743	-	-	-	1,743	-	15	1,743	872	1,054
Environment Services	338	-	-	-	338	12	16	350	181	58
Planning Services	582	-	-	-	582	-	17	582	291	250
Planning & Environment Coordination	8	-	-	-	8	-	18	8	4	-
Strategy and Business Services Coordination	-	-	-	-	-	-	19	-	-	-
Business Services	62	-	-	-	62	-	20	62	31	25
Economic Development	267	-	-	-	267	-	21	267	133	74
Financial Management	592	-	-	-	592	-	22	592	296	172
Civil Assets	984	-	-	-	984	-	23	984	492	856
Fire & Emergency Services	346	-	-	-	346	-	24	346	173	300
Sewer Services	17,235	-	-	-	17,235	-	25	17,235	8,617	15,970
Transport & Utility Group	2,400	-	-	-	2,400	-	26	2,400	1,200	1,277
Transport Services	52	6,400	-	-	6,452	-	27	6,452	6,426	467
Waste Services	10,088	-	-	-	10,088	600	28	10,688	5,344	8,706
Water Supplies	11,154	-	-	-	11,154	-	29	11,154	5,577	7,256
Works	6,731	-	-	-	6,731	-	30	6,731	3,365	3,232
Council Wide	45,558	-	-	-	45,558	-	31	45,558	22,779	32,598
Project Development Service	-	-	-	-	-	-	32	-	-	-
Strategy and Asset Services	-	-	-	-	-	-	33	-	-	3
Total Income from Continuing Operations	104,088	6,400	-	-	110,488	2,012		112,500	59,456	76,402

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2017

Income & Expenses - Council Consolidated

(\$000's)	Original Budget 2017/18	Approved Changes			Revised Budget 2017/18	Variations for this Dec Qtr	Notes	Projected Year End Result	Budget YTD Figures	Actual YTD figures
		Sep QBRS	Dec QBRS	Mar QBRS						
Expenses										
Children, Families and Ageing	3,972	232	-	-	4,204	1,434	10	5,638	2,818	2,933
Community, Culture and Information	3,952	248	-	-	4,200	-	11	4,200	2,100	2,195
Community, Relations & Leisure Coordination	612	-	-	-	612	-	12	612	306	299
Leisure and Recreation	3,993	15	-	-	4,008	-	13	4,008	2,004	1,821
Organisation Development & Governance	4,063	33	-	-	4,096	-	14	4,096	2,049	2,157
Building and Health Services	2,001	26	-	-	2,027	-	15	2,027	1,013	1,078
Environment Services	2,171	75	-	-	2,246	12	16	2,258	1,135	745
Planning Services	1,533	86	-	-	1,619	-	17	1,619	810	647
Planning & Environment Coordination	902	2	-	-	904	-	18	904	452	348
Strategy and Business Services Coordination	814	-	-	-	814	-	19	814	407	328
Business Services	2,923	-	-	-	2,923	-	20	2,923	1,462	1,470
Economic Development	835	350	-	-	1,185	-	21	1,185	592	375
Financial Management	1,973	59	-	-	2,032	-	22	2,032	1,016	798
Civil Assets	1,022	32	-	-	1,054	-	23	1,054	527	397
Fire & Emergency Services	994	-	-	-	994	-	24	994	497	480
Sewer Services	11,500	-	-	-	11,500	-	25	11,500	5,750	5,289
Transport & Utility Group	691	-	-	-	691	-	26	691	346	519
Transport Services	8,061	6,400	-	-	14,461	-	27	14,461	10,431	4,182
Waste Services	7,877	-	-	-	7,877	600	28	8,477	4,239	4,469
Water Supplies	8,261	-	-	-	8,261	-	29	8,261	4,131	3,450
Works	6,059	-	-	-	6,059	-	30	6,059	3,030	3,216
Council Wide	7,677	-	-	-	7,677	(320)	31	7,357	2,130	5,002
Project Development Service	-	-	-	-	-	-	32	-	-	269
Strategy and Asset Services	1,080	-	-	-	1,080	-	33	1,080	540	444
Total Expenses from Continuing Operations	82,966	7,558	-	-	90,524	1,726		92,250	47,785	42,911
Net Operating Result from Continuing Operations before Capital Items	21,122	(1,158)	-	-	19,964	286		20,250	11,671	33,491

Note: Internal Income and Expenses has been included in this report.

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Note	Sub-Note	Details
1		Rates and Annual Charges Rates and Annual charges revenue is tracking within budget. Revenue from rates is recognised at the beginning of the year.
2		User Charges and Fees User Charges and Fees is tracking within budget.
3		Investment Income Investment Income is tracking slightly above budget. This is mainly due to more funds available for investment as rates and annual charges were collected at the beginning of the year.
4		Grants and Contributions Operating Increase in Operating Grants and Contribution relates to receipt of new grants from the following:
	a	FOGO grant from NSW Environmental Trust 600k
	b	Grant for Environment Services from Dept. of Primary Industries 12k
	c	NDIS Income 1,400k
		Financial Assistance Grant of \$3.4M for FY17/18 was received in advance in FY16/17. The total claim for 2016 floods is \$852K.
5		Grants and Contributions Capital Bike Track grants anticipated for FY17/18 has been revised as major construction work will progress in FY18/19.
	a	Active Transport Grant New for Bike Track from Tathra to Kalaru (710k)
	b	Active Transport Grant New for Bike Track in Merimbula (1,410k)
	c	Eden Wharf Access Road project withdrawn as grant application unsuccessful (2,000k)
		Further Council has managed to secure the grant for West Kameruka of \$3.5M and major construction will occur in FY18/19
6		Employee Costs Employee costs are tracking within budget. Savings from vacant positions across Council is anticipated to offset redundancy payments. Variation for quarter relates to anticipated savings from salary by the end of the year
7		Finance Costs Finance costs are under budget due to the deferral of \$2.6M loan from FY16/17. Savings of \$120K is anticipated by the year end.
8		Materials & Contracts Materials and Contracts budget is tracking within the revised forecasts. There has been a significant increase in material and contract expenses mainly due to following:
	a	New operating grants and contribution- Environment Services 12k
	b	Brighter Futures Office renovation funded by HACC reserve 34k
	c	New Operating Grant- Waste Services 600k
	d	NDIS expenditures as per actual 1,400k
9		Depreciation and Other Expenses
	a	Depreciation: Depreciation expense is tracking slightly under the budget. This is mainly due to impairment of water and sewer assets in FY16/17.
	b	Other Expenses: Other expenses are tracking within budget.

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Note	Sub-Note Details
10	<p>Children, Families and Ageing</p> <p>Fee income levels for Eden Childcare Centre and Bandara Children's Services have been lower than expected this financial year due to declines in childcare utilisation levels. Due to the fact that utilisation and fee income always drops further in Q3 and Q4 (the start of the new calendar year), both cost centres are likely to require a draw down from Children's Services reserves of approximately \$50,000 each by end of financial year.</p> <p>The funding agreement for the Indigenous Advancement Strategy program initially concluded in December 2017, but has now been extended for a further 12 months. By end of financial year, income and expenditure in the Indigenous Advancement Strategy cost centre will be approximately \$100,000 greater than what was initially budgeted. Budget changes will be made in March Quarter.</p> <p>The Children, Families and Ageing Administration cost centre is significantly under budget in both income and expenditure due to a decision to cost administration expenses to related grant-funded programs directly. Until end of financial year the Children, Families and Ageing Administration cost centre will be minimally utilised and the other 11 cost centres associated with the Children, Families and Ageing section will see corresponding minor increases in both income and expenditure.</p> <p>Income and expenditure under the National Disability Insurance Scheme (NDIS) cost centre are significantly higher than expected due to the delivery of Plan Financial Management services, which involve financial brokerage of client plans. In 17/18, more staff resources have been devoted to NDIS services than initially budgeted in order to meet the compliance requirements of this pilot program. As a result, a draw down from reserves of up to \$50,000 may be required by end of financial year.</p> <p>Budget adjustment relates to NDIS income as per the actual income and expense incurred.</p>
11	<p>Community, Culture and Information</p> <p>Community, Culture and Information is above budget. This is mainly due to Civic Centre operating costs being greater than anticipated. Overall branch is expected to be within budget by the end of the year.</p>
12	<p>Community, Relations & Leisure Coordination</p> <p>Community, Relations & Leisure Coordination is tracking within budget.</p>

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Note	Sub-Note Details
13	<p>Leisure and Recreation</p> <p>Swimming Pools: Budget is tracking within budget. Noted some variation from budgeted amounts for salaries (over) and contractors (under) largely due to BVSC now operating Candelo Pool. Also some salaries increase accountable to increased services and programs delivered. Variations will be managed within the cost centre.</p> <p>Sportsgrounds: Operations is tracking over budget. Largely accountable to water expenses (\$13k over), power expenses (\$12k over), drainage maintenance / repair at Pambula Sporting complex (\$23k) and sportsground mowing (\$60k). Some of this is related to increased surrounds mowing undertaken by BVSC as volunteering capability has dropped off (Berrambool in particular). We are looking into the mowing more closely.</p> <p>We will continue to monitor, further control spending and, if need be, transfer funding from another cost centre within the Leisure and Recreation section at the third quarter budget review.</p> <p>Noted plant hire costs are well over budget allocations due to the budget being placed under contractors.</p> <p>Parks: Overall tracking on budget. It is noted that capital expenditure is tracking well under. Two projects (at Short Point and Bruce Steer pool amenities) were put on hold by Council resolution to review planning for those sites.</p> <p>We now have staff in the Projects officer position and I expect capital projects to progress. We will continue to monitor and, if need be, look to identify capital projects for carry forwards at the ¾ review.</p> <p>Noted some operational contingencies may be required to offset over spends within the sportsgrounds area to be assessed and defined at the ¾ review.</p> <p>Leisure & Recreation Coordination: Overall is tracking within budget.</p>
14	<p>Organisation Development & Governance</p> <p>Building and Health Services is tracking within the budget. The year to date expenditure is slightly above the budget due to insurance premium paid at the beginning of the year. The expenditure is anticipated to be in line with the budget by the end of the year.</p>
15	<p>Building and Health Services</p> <p>Building and Health Services is tracking within budget. No budget adjustments have been made but there will be some impacts from both internal and external sources later in the year as follows:</p> <p>Enforcement Regulations legal and contractor costs may increase. Legal and contractors costs are over budget, if Council wins its litigation the costs will be reimbursed. There are more prosecutions being undertaken and the budget does not reflect the increased level of legal action.</p> <p>As an impact of outsourcing the call centre the Environmental Health Officer's are now required to have an on call roster (\$5K) which will be funded by Sewer Fund as the principal reason they are required to be on call.</p> <p>The Building Professional Board has foreshadowed additional regulatory reporting requirements that are separate and distinct from the existing Department of Planning reporting. Council is unsure of the cost of the new regulatory regime, however, if costs are to increase then it is anticipated that an increase in fees to applicants will cover Council's expenses. However, it is likely Council will need to absorb these costs this financial year to understand what is the appropriate level of fees to charge for next financial year.</p>
16	<p>Environment Services</p> <p>Environment Services is tracking within budget. Majority of the grant income is anticipated to be received by the end of the year. There are vacant positions in this service area and it is anticipated that some savings will be made.</p> <p>Budget adjustment for the quarter relates to new grant received from NSW Dept. of Primary Industries. 12k</p>

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Note	Sub-Note Details
17	<p>Planning Services</p> <p>The Planning Services budgeted income is down about 12%, however that is offset by expenditure being down by the same amount. The legal budget of \$40k is already overspent by \$2k and Council has two active Court cases which will incur costs. Also, there may be further legal matters during the year.</p>
18	<p>Planning & Environment Coordination</p> <p>Planning & Environment Coordination year to date expenditure is below budget. However, it is anticipated that costs will be closer to budget once the contract termination payment is made to former Director.</p>
19	<p>Strategy and Business Services Coordination</p> <p>Strategy and Business Services Coordination expenditure is below budget. This is mainly due to the delay in Server Platform Refresh and Mapping System New Generations projects. Also, there are salary savings from a redundant position in Integrated Planning & Reporting service area.</p>
20	<p>Business Services</p> <p>Business Services is tracking within budget.</p>
21	<p>Economic Development</p> <p>Bega Valley Regional Learning Centre (BVRLC) revenue is slightly below the budget. With the current trend, it is anticipated that Bega Valley Regional Learning Centre will not be able to cover its expenses through its revenue.</p> <p>Economic Development and Tourism cost centres are tracking within budget.</p>
22	<p>Financial Management</p> <p>Finance Services expenditure is slightly above budget due to allocation of extra resources in the area to support transition of new staff and payroll function.</p> <p>Revenue Services is tracking within budget.</p>
23	<p>Civil Assets</p> <p>Civil Assets is tracking within budget. Revenue from stormwater annual charge is levied at the beginning of the year. Cycleways maintenance is underway and will align to budget.</p>
24	<p>Fire & Emergency Services</p> <p>Fire and Emergency Services is tracking within budget.</p>

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Note	Sub-Note Details
25	<p>Sewer Services</p> <p>Sewer Services is tracking within budget. Sewer annual charges is levied at the beginning of the year. Operating expenditure is in line with the budget.</p>
26	<p>Transport & Utility Group and Assets and Strategy Group</p> <p>The over expenditure is due to back pay of salaries for 2016/17. It is anticipated that Council wide salary savings by the year end will offset the back pay.</p>
27	<p>Transport Services</p> <p>Operating expenditure is in line with budget. Extension for completion of 2016 flood damage work is requested with Roads and Maritime (RMS) Service until next financial year. Upon receive of correspondence from RMS flood grant income and expenses budget will be adjusted accordingly, likely to occur in third quarter budget review.</p>
28	<p>Waste Services</p> <p>Waste Services is tracking within budget. Budget adjustment for the quarter relates to FOGO grant income and corresponding expenditure.</p>
29	<p>Water Supplies</p> <p>Water Supplies is tracking within budget.</p>
30	<p>Works</p> <p>Fleet Income and expenses are unfavourable. The over expenditure is mainly due to increase in fuel, insurance, maintenance and parts. Plant hire rates will be adjusted in the second half of the year to make the fleet services break even.</p>
31	<p>Council Wide</p> <p>Council wide is tracking within budget. Variation for the quarter relates to:</p> <p>Anticipated savings from salary by the year end. (200k)</p> <p>Savings of finance cost of \$120K due to deferral of loan in FY16/17 (120k)</p>
32	<p>Project Development Service</p> <p>The expenditure is project development cost centre relates to salaries and wages not being allocated to respective cost centres. Adjustments will be made to respective projects in third quarter to make the cost centre cost neutral.</p>
33	<p>Strategy and Asset Services</p> <p>Strategy and Asset Services is tracking within budget.</p>

Capital Budget Review Statement

Budget review for the quarter ended 31 December 2017

Capital Budget - Council Consolidated

(\$000's)	Original Budget 2017/18	Approved Changes			Revised Budget 2017/18	Variations for this Dec Qtr	Notes	Projected Year End Result	Budget YTD figures	Actual YTD figures
		Sep QBRs	Dec QBRs	Mar QBRs						
Income										
New Loans	6,200	-	-	-	6,200	-	1	6,200	3,100	-
Receipts from Sale of Assets	1,350	-	-	-	1,350	-	2	1,350	675	224
Reserves Transfer From	19,913	3,812	-	-	23,725	895	3	24,620	10,575	-
Grants and Contributions Capital	6,522	3,748	-	-	10,270	(4,120)	4	6,150	4,949	3,313
Total Income from Continuing Operations	33,985	7,560	-	-	41,545	(3,225)		38,320		3,537
Expenses										
Employee Costs	1,027	-	-	-	1,027	-		1,027	514	376
Materials & Contracts	32,097	7,636	-	-	39,733	(3,259)	5	36,474	19,612	10,740
Loan Repayments (Principal)	4,003	-	-	-	4,003	(208)	6	3,795	2,002	1,693
Reserves Transfer To	17,027	861	-	-	17,888	-	7	17,888	9,417	-
Total Expenses from Continuing Operations	54,154	8,497	-	-	62,651	(3,467)		59,184	31,545	12,809
Net Operating Result from Continuing Operations	(20,169)	(937)	-	-	(21,106)	242		(20,864)	(31,545)	(9,272)
Discontinued Operations - Surplus/(Deficit)					-			-	-	-
Net Operating Result from Capital Operations	(20,169)	(937)	-	-	(21,106)	242		(20,864)	(31,545)	(9,272)
Total capital expense is made up of:										
Renewals	18,686				18,686	(979)		17,707		3,807
New Assets	14,438	7,636	-	-	22,074	(2,280)		19,794		7,309
Total	33,124	7,636	-	-	40,760	(3,259)		37,501		11,116

Capital Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Note	Sub-Note	Details	
1		New Loans	
		Loans are planned to be drawn down towards the end of the year.	
2		Receipts from Sale of Assets	
		Budgeted Sale of assets relates to fleet. Useful life of assets have been extended, which in turn defer capital expenditure for future. Sale of assets corresponds to the purchase.	
3		Reserves Transfer From	
		Reserves transfer from relates to:	
	a	Domestic Waste Reserve to fund CWF Stage 3 capital works	840k
	b	Brighter Futures Office renovation funded by HACC reserve	34k
	c	Bandara Microwave Project funded by HACC reserve	21k
		Actual reserve movement will be made at the end of year inline with the actual expenditure incurred.	
4		Grants and Contributions Capital	
		Bike Track grants anticipated for FY17/18 has been revised as major construction work will progress in FY18/19.	
	a	Active Transport Grant New for Bike Track from Tathra to Kalaru	(710k)
	b	Active Transport Grant New for Bike Track in Merimbula	(1,410k)
	c	Eden Wharf Access Road project withdrawn as grant application unsuccessful	(2,000k)
5		Materials and Contract	
		Transport Services: Towamba Road and Eden Flood Study is over budget. This will be managed through current allocation of capital expenditure within Transport Services budget.	
		Merimbula Airport:	
		Terminal- Tender likely by end of February/March 2018	
		Runway: Detailed design still being undertaken - possible but unlikely to tender by June 2018	
		Water and Sewer Services: Capital expenditure is under budget. There has been some staff turnover which resulted in reduced capacity to deliver large projects, which has now been rectified. Spending on major upgrades and renewals will lag behind the resourcing correction as large projects are scoped. Some projects identified in the budget were over ambitiousness contributing to the under spend.	
		Waste Services: Capital programs are as per the plan. Tracking well within the budget.	
		Budget adjustments for the quarter relates to:	
	a	Bandara Microwave Project	21k
	b	Active Transport Grant New for Bike Track from Tathra to Kalaru	(710k)
	c	Active Transport Grant New for Bike Track in Merimbula	(1,410k)
	d	Central Waste Facility Stage 3 Project	840k
	e	Eden Wharf Access Road project withdrawn as grant application unsuccessful	(2,000k)
6		Loan Repayments (Principal)	
		Loan Repayments are under the budget due to deferral of \$2.6M loan from FY16/17. Council anticipates to save \$208K in principal re-payments by the year end.	
7		Reserves Transfer To	
		No actual reserve transfer has been made in this quarter. Reserve movement is generally done annually based on the actual expenditure and overall position of the Council.	

Cash & Investments Budget Review Statement

Budget review for the quarter ended 31 December 2017

Cash & Investments - Council Consolidated

(\$000's)	Reserve Acc No	Original	Approved Changes			Revised	Variations for this Dec Qtr		Projected	Budget	Actual
		Budget 2017/18	Sep QBRs	Dec QBRs	Mar QBRs	Budget 2017/18			Year End Result	YTD figures	YTD figures
Externally Restricted ⁽¹⁾											
Asset Replacement Reserve [Sewer Fund]	03130.8020.7951	15,136	1,000	-	-	16,136	-		16,136	17,665	18,194
Asset Replacement Reserve [Water Fund]	02130.8020.7928	9,329	-	-	-	9,329	-		9,329	9,172	9,016
Other Contribution - Tathra Estate	01130.8020.7991	41	-	-	-	41	-		41	41	41
S64 - Sewer Headworks	03130.8020.7938	4,436	-	-	-	4,436	-		4,436	4,436	4,436
S64 - Water Headworks	02130.8020.7939	1,866	-	-	-	1,866	-		1,866	2,866	3,866
S94 - Carparking	01130.8020.7940	709	-	-	-	709	-		709	684	659
S94 - Land Acquisitions	01130.8020.7942	23	-	-	-	23	-		23	20	17
S94 - Open Space and Recreation	01130.8020.7943	201	-	-	-	201	-		201	179	157
S94 - Public Reserve Acquisition	01130.8020.7945	400	-	-	-	400	-		400	400	400
S94 - Roads	01130.8020.7946	117	-	-	-	117	-		117	59	-
S94 - Streetscapes	01130.8020.7948	13	-	-	-	13	-		13	6	-
S94- Woodlands Lane	01130.8020.7994	20	-	-	-	20	-		20	20	20
S94 - Community Facilities	01130.8020.7941	27	-	-	-	27	-		27	27	27
S94A	01130.8020.7949	12	-	-	-	12	-		12	12	12
Unspent Grants	01130.8020.7977	4,100	(1,500)	-	-	2,600	-		2,600	5,658	4,954
Unspent Loans	01130.8020.7978	1,443	-	-	-	1,443	-		1,443	743	43
Waste Management [Domestic]	01130.8020.7979	6,965	(2,032)	-	-	4,933	(840)	1	4,093	5,041	5,989
Water Fund - Unrestricted		3,229				3,229	-		3,229	3,229	3,229
Sewer Fund - Unrestricted		1,682				1,682	-		1,682	1,682	1,682
Total Externally Restricted		49,749	(2,532)	-	-	47,217	(840)		46,377	51,940	52,742
(1) Funds that must be spent for a specific purpose											

(1) Funds that must be spent for a specific purpose

Cash & Investments Budget Review Statement

Budget review for the quarter ended 31 December 2017

Cash & Investments - Council Consolidated

(\$000's)	Reserve Acc No	Original	Approved Changes			Revised	Variations for this Dec Qtr	Projected Year End Result	Budget	Actual
		Budget 2017/18	Sep QBRS	Dec QBRS	Mar QBRS	Budget 2017/18			YTD figures	YTD figures
Internally Restricted ⁽²⁾										
Access Committee Reserve	01130.8020.7995	38	-	-	-	38	-	38	38	38
Airport Reserve	01130.8020.7900	265	-	-	-	265	-	265	269	272
Animal Control Reserve	01130.8020.7901	42	-	-	-	42	-	42	42	42
Asset Replacement Reserve [General Fund]	01130.8020.7902	643	-	-	-	643	-	643	793	1,289
Brighter Futures [Vehicle Replacement]	01130.8020.7904	30	-	-	-	30	-	30	30	30
Candelo Park Maintenance	01130.8020.7905	22	-	-	-	22	-	22	22	22
Children Services Reserve	01130.8020.7907	511	-	-	-	511	-	511	519	527
Committee Funds [Cemetery]	01130.8020.7908	430	-	-	-	430	-	430	430	430
Committee Funds [Halls]	01130.8020.7909	166	-	-	-	166	-	166	166	166
Election Expenses	01130.8020.7915	55	-	-	-	55	-	55	27	-
E-Levy Reserve	01130.8020.7916	11	-	-	-	11	-	11	56	101
Employee Leave Entitlement	01130.8020.7917	1,932	-	-	-	1,932	-	1,932	1,757	1,582
Foreshore Reserves	01130.8020.7986	25	-	-	-	25	-	25	25	25
Gallery Donations	01130.8020.7921	10	-	-	-	10	-	10	10	10
Information Technology Facilities	01130.8020.7922	148	-	-	-	148	-	148	218	288
Insurance Claims [Unspent]	01130.8020.7923	72	-	-	-	72	-	72	72	72
Insurance Excess Reserve	01130.8020.7924	100	-	-	-	100	-	100	100	100
Merimbula Jetty Maintenance and Improve	01130.8020.7926	46	-	-	-	46	-	46	46	46
Mirador Asset Protection Developmen	01130.8020.7988	150	-	-	-	150	-	150	150	150
Narira Village	01130.8020.7927	106	-	-	-	106	-	106	106	106
Old Bega Racecourse Development	01130.8020.7989	33	-	-	-	33	-	33	33	33
Operational Examination Contingency	01130.8020.7929	27	-	-	-	27	-	27	41	27
Plant Replacement Reserve	01130.8020.7930	320	-	-	-	320	-	320	183	46
Property Development Reserve	01130.8020.7931	182	-	-	-	182	-	182	182	182
Property Sale 73 Upper St	01130.8020.7932	164	-	-	-	164	(55)	109	137	164
Quarries and Gravel Pits	01130.8020.7935	724	-	-	-	724	-	724	724	724
Revotes	01130.8020.7936	512	(335)	-	-	177	-	177	356	536
Saleyard Reserve	01130.8020.7950	58	-	-	-	58	-	58	58	58
SV - Airport	01130.8020.7954	83	-	-	-	83	-	83	83	83
SV - Armco Culvert Restoration	01130.8020.7955	191	-	-	-	191	-	191	191	191
SV - Public Domain and Buildings	01130.8020.7966	751	-	-	-	751	-	751	527	303
SV - Sportsground	01130.8020.7969	98	-	-	-	98	-	98	98	98
SV - VIC and Tourism	01130.8020.7972	325	-	-	-	325	-	325	650	650
SV - Recreation Facilities	01130.8020.7967	469	-	-	-	469	-	469	469	469
Tura Beach Country Club Crown Land	01130.8020.7975	22	-	-	-	22	-	22	22	22
Waste Management [Other]	01130.8020.7980	483	-	-	-	483	-	483	483	483
Budget Contingency Reserve	10410.6000.7992	365	(84)	-	-	281	-	281	-	281
Total Internally Restricted		9,609	(419)	-	-	9,190	(55)	9,135	9,113	9,646
(2) Funds that Council has earmarked for a specific purpose										
Unrestricted (i.e. available after the above Restrictions)		2,751				2,751		2,751	4,972	3,637
Total Cash & Investments		62,109	(2,951)	-		59,158	(895)	58,263	66,025	66,025

Cash & Investments Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes	Sub-note	Details	
1		Withdraw Domestic Waste reserve to fund Central Waste Facility Stage III project	(840k)
2		Withdraw Property Sale 73 Upper St (HACC) reserve to fund:	
		Microwave Project Bandara Children Services	(21k)
		Brighter Futures Office renovation funded by HACC reserve	(34k)

Cash & Investments Budget Review Statement**Comment on Cash & Investments Position****Investments**

Investments have been invested in accordance with Council's Investment Policy.

The Cash at Bank figure included in the Cash & Investment Statement totals \$66,024,548

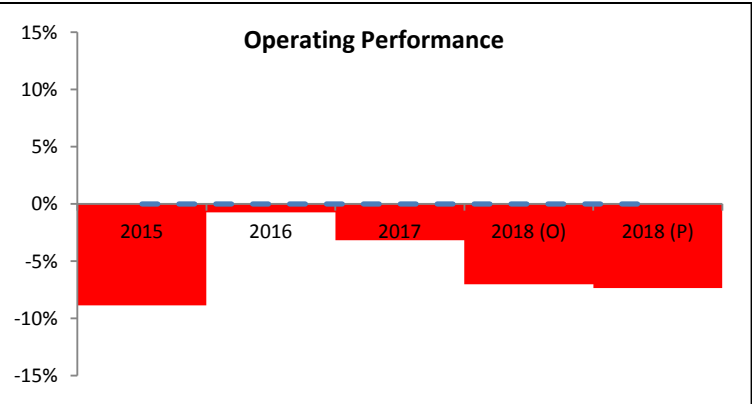
This Cash at Bank amount has been reconciled to Council's physical Bank Statements.
The date of completion of this bank reconciliation is 31/12/17

Reconciliation Status

The YTD Cash & Investment figure reconciles to the actual balances held as follows:

		\$ 000's
Cash at Bank (as per bank statements)		2,052,942
Investments on Hand		63,921,601
less: Unpresented Cheques	(Timing Difference)	2,325
add: Undeposited Funds	(Timing Difference)	47,075
less: Identified Deposits (not yet accounted in Ledger)	(Require Actioning)	605
add: Identified Outflows (not yet accounted in Ledger)	(Require Actioning)	-
less: Unidentified Deposits (not yet actioned)	(Require Investigation)	-
add: Unidentified Outflows (not yet actioned)	(Require Investigation)	-
Reconciled Cash at Bank & Investments		66,024,548
Balance as per Review Statement:		66,024,548



Key Performance Indicators (KPIs)

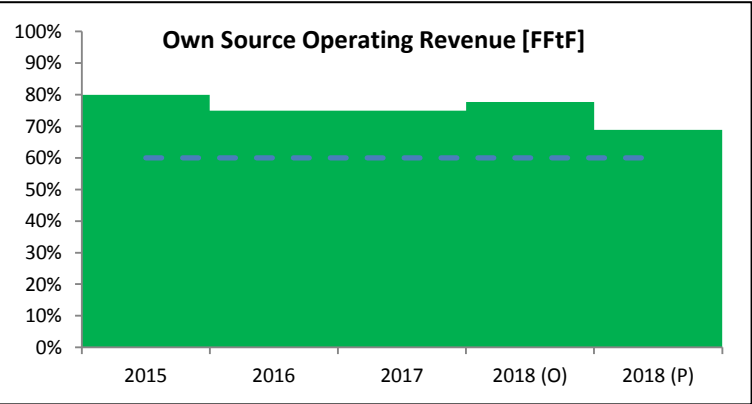


Source of Benchmark: Code of Accounting Practice and Financial Reporting #24

Purpose
The ratio measures Council's achievement of containing operating expenditure within operating revenue

Commentary
The proposed budget shows a further decline in Council's operating performance. This is due to additional item of expenditure recognised in the budget relating to unspent grants and carry forward works.



 Ratio achieves benchmark
 Ratio is outside benchmark



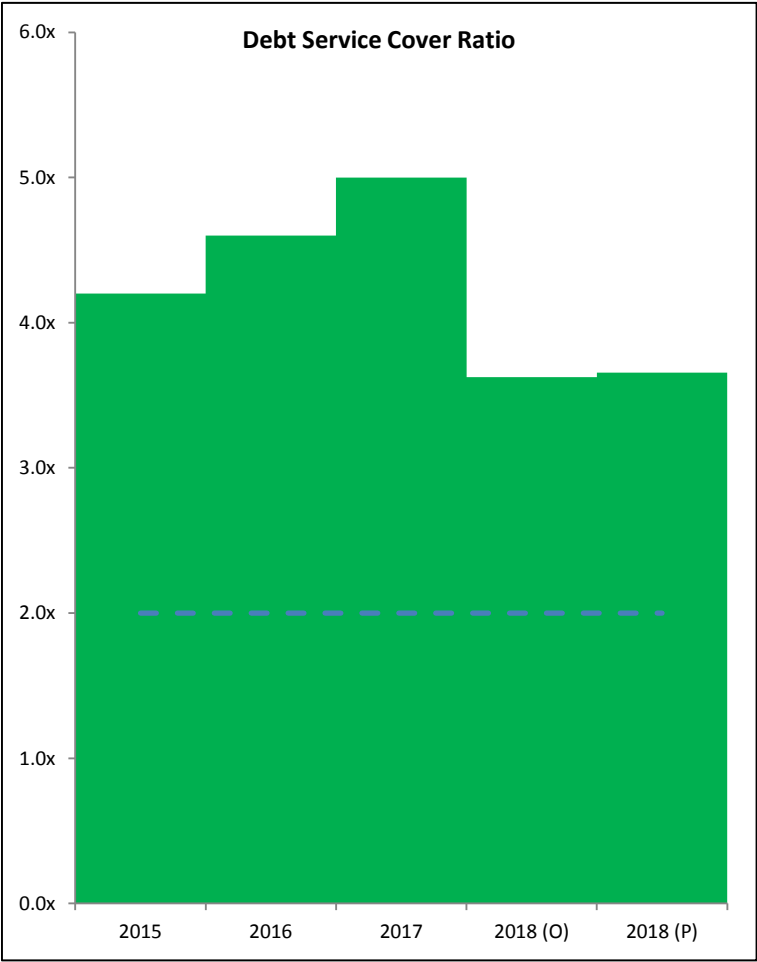
Source of Benchmark: Code of Accounting Practice and Financial Reporting #24

Purpose
This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary
Council's own source revenue is over the benchmark of 60%

 Ratio achieves benchmark
 Ratio is outside benchmark

Key Performance Indicators (KPIs)



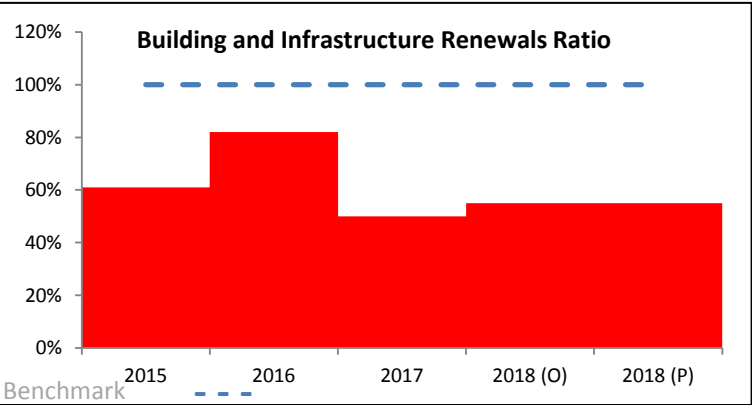
Source of Benchmark: Code of Accounting Practice and Financial Reporting #24

Purpose
This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary
Council's debt service ratio is above the benchmark indicating strong capacity of Council to service its borrowing repayments

- Ratio achieves benchmark
- Ratio is outside benchmark

Key Performance Indicators (KPIs)

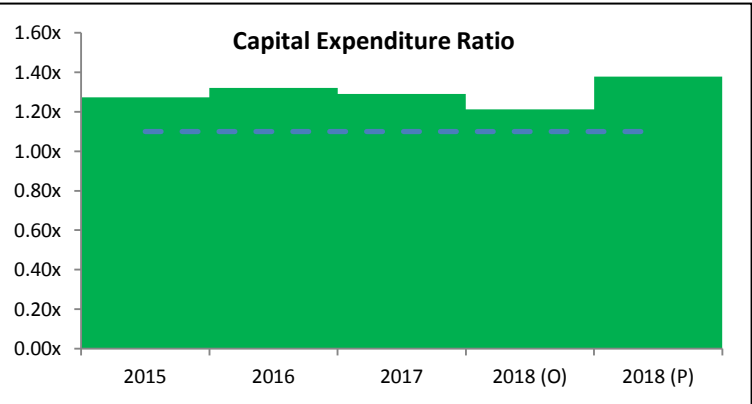


Source of Benchmark: Code of Accounting Practice and Financial Reporting #24

Purpose
To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating

Commentary
Council has not been able to achieve the benchmark of 100%. The proposed budget continues on the same trend. Classification of expenditure item differently can have adverse effect on this ratio and we believe that is the case here. This is being addressed by staff.

Ratio achieves benchmark
Ratio is outside benchmark



Source of Benchmark: T-Corp Financial Assessment and Benchmarking Report 2013

Purpose
This ratio assesses the extent to which a Council is expanding its asset base with capital expenditure (on new assets, replacement & renewal of existing assets).

Commentary
Council's capital expenditure ratio is above the benchmark indicating Council is expanding its assets base with capital expenditure.

Ratio achieves benchmark
Ratio is outside benchmark

Contracts Budget Review Statement

Budget review for the quarter ended 31 December 2017
Part A - Contracts Listing - contracts entered into during the quarter

Contractor	Contract detail & purpose	Contract Value (Inc. GST) in '000	Acceptance Date	Budgeted (Y/N)
Nowra Truck and Tractor	Fleet Trucks - Specification T4.516 and T7.216	344	14/12/2016	Y
Landfill Gas Industries Pty Ltd	Design, Construction, Operation and Maintenance of CWF Landfill Gas System	843	01/11/2017	Y
Kaufline Investments Pty Ltd ATF Kauline Family Trust T/AS South East Civil & Crane	Bridge Upgrades Yowaka River Bridge and Murrabrine Creek Bridge	657	31/08/2017	Y
Surf Life Saving Services Pty Ltd t/as Australian Lifeguard Service	Provision of Beach Lifeguard Services	208	14/11/2017	Y
Southern Truck Centre Queanbeyan	Specification TT817 Plant Numbers 390801 and 390601	461	01/11/2017	Y
Cleanaway Pty Ltd	Waste collection Services	17,598	22/11/2017	Y
John Michelin & Son Pty Ltd	Civil Construction of Landfill Cell 1 & Cell 2 Cap and Civil Construction of Stage 3 Cell at the Cen	970	14/12/2017	Y
Eco Line Solutions Pty Ltd	Supply and Installation of Geotechnical Capping System for Cell 1 & Cell 2 and the Supply and i	758	14/12/2017	Y
Public Works Advisory	Contract and Project Administration - Bemboka WTP	176	19/10/2017	Y
Roads and Maritime Services	Reconstruction of traffic signals at TC3450 Market St/Monaro St/Palmers Ln, Merimbula	290	20/12/2017	Y
Thompson Berrill Landscape Design Pty Ltd	Shared Path Lake Street, Streetscape & Civil Design Services	160	08/11/2017	Y

Consultancy & Legal Expenses Budget Review Statement

Consultancy & Legal Expenses Overview

Expense	YTD Expenditure (Actual Dollars)	Budgeted (Y/N)
Consultancies	1,567,978	Y
Legal Expenses	105,650	Y

Definition of a consultant:

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.