
**GMR22/021 QUARTERLY BUDGET REVIEW FOR PERIOD ENDING 31 DECEMBER
2021**

**S011-
T00003**

Responsible Officer: Scott Westbury - Chief Financial Officer

Attachments: 1. Under Separate Cover - December Quarterly Budget Review

Outcome: 9 Innovative and Proactive Leadership

Focus Area: 9.2 Ensure financial sustainability and support the organisation in achieving efficient ongoing operations

Delivery Program Link: 9.2.4 Responsibly manage Council's finances and maintain Fit for the Future status

Operational Plan Link: 9.2.4.2 Provide financial management and reporting

EXECUTIVE SUMMARY

This Budget Review reports on Council's performance against the current Operational Plan budget for the quarter ending 31 December 2021. Major variations are highlighted.

The original Operational Plan budget, on a consolidated basis (which includes all of Council's funds), for 2021-22 forecasts were:

- Income Statement deficit, before capital revenue, of \$1.40 million
- Income Statement surplus, after capital revenue, of \$33.61 million
- Increase of \$7.64 million in unrestricted funds.

The proposed revised budgets after the quarter ending 31 December 2021 are:

- Income Statement deficit, before capital revenue, of \$4.36 million
- Income Statement surplus, after capital revenue, of \$56.09 million
- Increase of \$2.5 million in unrestricted funds.

The December Review adjustments result in a favourable variation for the income statement, before capital revenues, of \$0.2 million and an increase in the amount of funds to be used of \$2.5 million as per the Consolidated Fund Flow Statement.

There are no material concerns at the quarterly review about Council meeting budget targets for 2021-22.

RECOMMENDATION

THAT;

1. The budget review report for the quarter ended 31 December 2021 be received and noted.
2. The favourable variation to the Income Statement before capital revenue of \$0.2 million and unfavourable variation to the Consolidated Fund Flow Statement of \$2.5 million be adopted.

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BACKGROUND

Council reviews its performance and financial results against the adopted Operational Plan quarterly, authorises adjustments to budget items and highlights variations from its original budget strategy.

It should be noted that the results referred to in this report are unaudited.

The attachments to this report are as follows:

Financial reports (Attachment 1)

These reports provide information on Council's performance against its financial objectives contained in the Operational Plan, presented for the consolidated entity.

Financial reports include:

- a) Consolidated Fund Flow Statement – This report shows the impact of operating, financing and investing activities on Council's unrestricted working capital.
- b) Consolidated Income Statement – Provides sources of income and expenditure, including depreciation, per Council service areas.
- c) Consolidated Capital Program Statement – Provides capital expenditure information for each program area and associated services.
- d) Projected Funds Balance Statement – Provides information on the movements in both unrestricted and restricted fund accounts.
- e) Budget Amendment Report – Provides details of proposed significant adjustments to budgets.
- f) SRV capital program – Provides capital expenditure information for each of the projects in the SRV program of works for 2021-22.

Consultancy, Legals and Contractors Report (Attachment 2)

This attachment provides information on major contracts entered into, legal fees incurred and consultancy costs for the quarter ended 31 December 2021.

Key Financial Indicators (Attachment 3)

This attachment provides information about key financial indicators designed to assist in monitoring Council's financial sustainability. The indicators are for the consolidated entity.

Mayoral and Councillor Expenses (Attachment 4)

Provides information about Mayoral and Councillor expenditure for the quarter ended 31 December 2021.

CONSIDERATIONS

Consolidated Fund flow Statement (Attachment 1(a)):

Council requires sufficient funds to pay for its debts as and when they fall due. The Fund Flow Statement shows the change in Council's freely available funds or working capital.

It includes all transactions having an impact on Council's funds i.e. income and expenses from its operating activities, capital program and borrowing activities. It also includes the transfer

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into, or use of restricted funds for capital or non-recurrent projects. Depreciation is not included as it does not represent a cash flow.

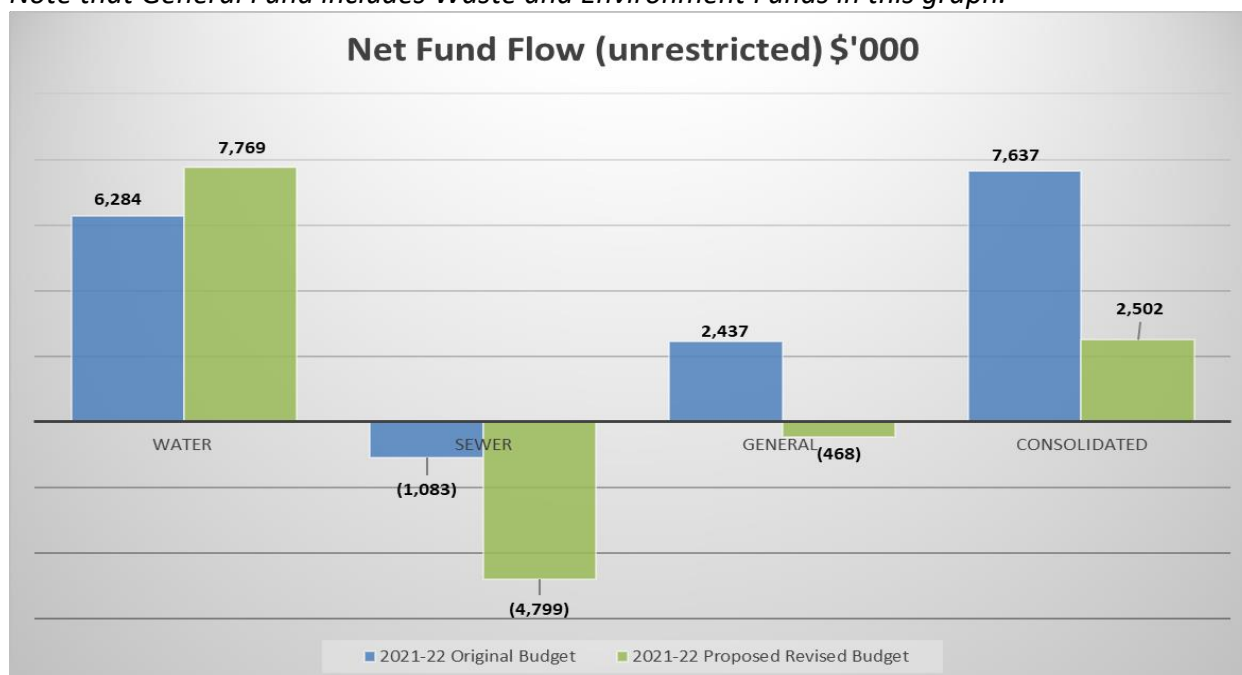
The net fund flow shows the amount of unrestricted funds that will be used to deliver the agreed Operational Plan outcomes for 2021-22. The consolidated original budget forecast a \$7.64 million increase to unrestricted funds. The impact of September and December 2021 quarterly review amendments result in a projected increase to unrestricted funds of \$2.5 million for 2021-22. See table 1.1 and graph 1.1 below.

Table 1.1 Net Increase (decrease) in unrestricted funds, per fund, \$'000

Fund	2021-22 Original Budget	Previous Review	December Review	2021-22 Proposed Revised Budget
Water	6,284	(11)	1,497	7,769
Sewer	(1,083)	435	(4,152)	(4,799)
Waste	2,418	(1,182)	(119)	1,117
Environment	33	188	7	227
General	(14)	(2,062)	264	(1,812)
Consolidated	7,637	(2,632)	(2,503)	2,502

Graph 1.1 Net fund flow (unrestricted)

Note that General Fund includes Waste and Environment Funds in this graph.



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Consolidated Income Statement (Attachment 1(b)):

The Consolidated Income Statement shows the types of income, and expenditure per council service areas. This result can indicate whether Council is able to raise sufficient revenue to cover the operational cost (including depreciation which measures the wear and tear of Council assets) of delivering services to the community before considering its capital revenue.

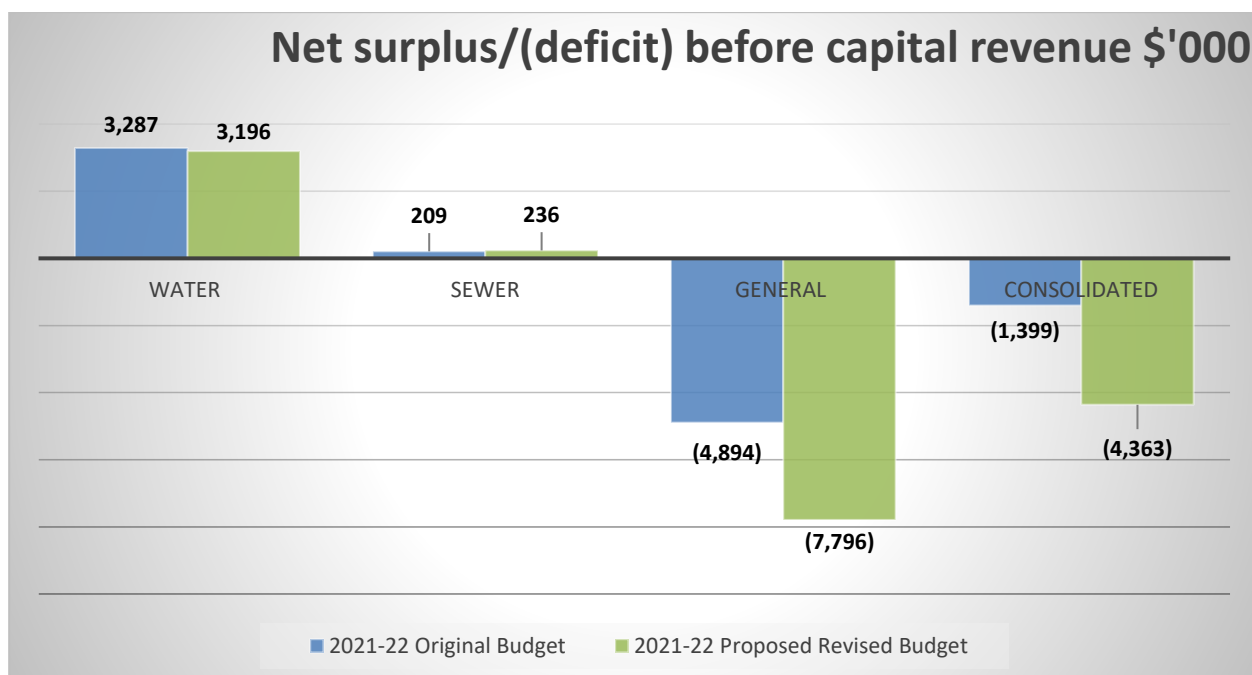
The result can be impacted by the timing of project funding, where funds are received in a different year to the expenditure taking place.

The proposed revised budget, incorporating the September and December 2021 Review adjustments is a deficit of \$4.36 million before capital revenues (per table 1.2 and graph 1.2 below).

Table 1.2 Net Surplus/ (deficit) before capital revenue, \$'000

Fund	2021-22 Original Budget	Previous Review	December Review	2021-22 Proposed Revised Budget
Water	3,287	(11)	(79)	3,196
Sewer	209	0	28	236
General	(4,894)	(3,139)	237	(7,796)
Consolidated	(1,399)	(3,150)	186	(4,363)

Graph 1.2 Net surplus/ (deficit) before capital revenue



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December Review adjustments (operational)

The proposed December Review adjustments to the originally adopted Operational Plan budget for 2020-21 result in a favourable variation of \$0.2 million to the operating result before capital.

Significant favourable adjustments to operational items include:

- \$350k net adjustment to Community Care budgets across revenue, employee costs and other costs
- \$855k as a result of year end 30.06.2021 finalization including: \$460k workers compensation annual reconciliation; \$222k interest expense on timing of revised borrowings; \$173k depreciation adjustment on assets damaged by recent natural disasters

Significant unfavourable adjustments to operational items include:

- \$620k revised investment income based on current interest rates
- \$200k Barlings Beach works funded by monies previously received
- \$160k Work Health & Safety project funded by monies previously received
- other minor variations included reduced revenue on landing fees, caravan parks and ERGB sales

Grant Funded operational works introduced during the quarter include:

- \$3.0m EPA Bushfire-Generated Green Waste Clean up
- \$550k NSW EPA Fencecycle program
- \$400k RFS Maintenance & Fire Mitigation
- \$300k Creating Careers Pathways
- \$300k Transport Maintenance works
- \$200k Barlings Beach Aboriginal Place works
- \$200k various invasive species and sustainability works
- \$100k Traffic Safety Sensors

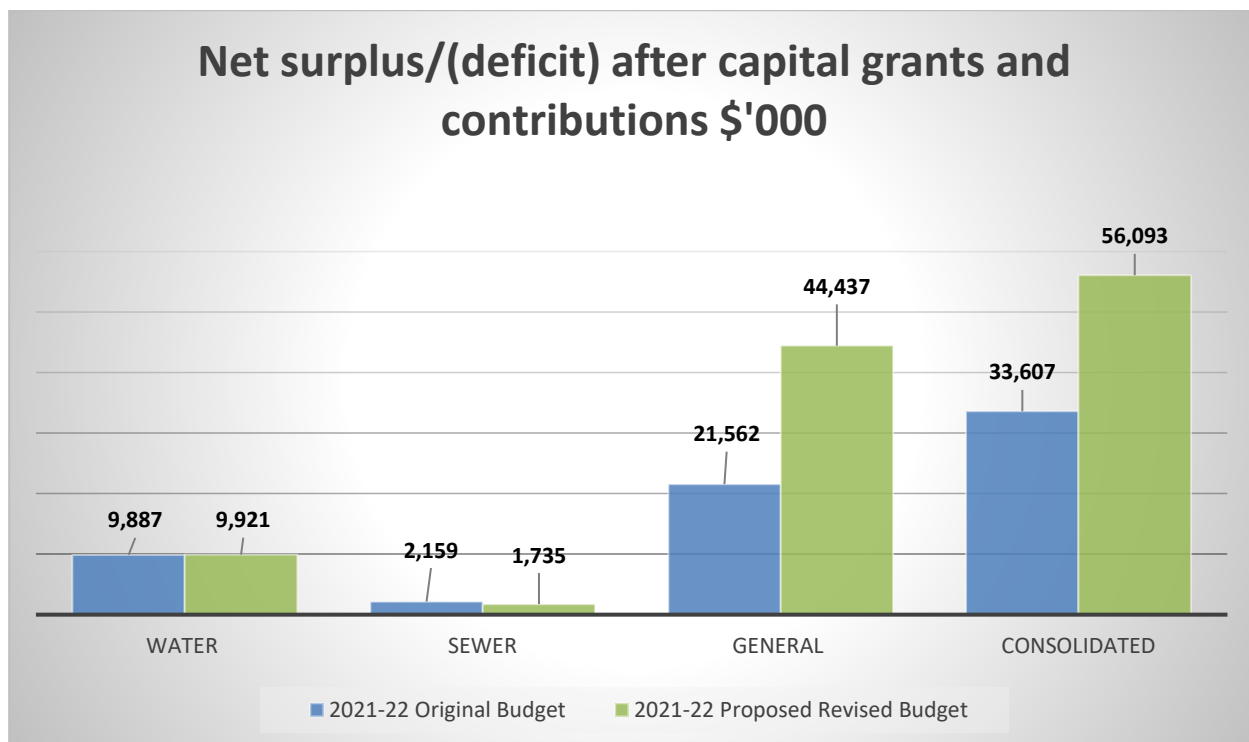
Table 1.3 Net surplus/(deficit) after capital revenue, \$'000

Fund	2021-22 Original Budget	Previous Review	December Review	2021-22 Proposed Revised Budget
Water	9,887	713	(679)	9,921
Sewer	2,159	548	(972)	1,735
General	21,562	27,952	(5,077)	44,437
Consolidated	33,607	29,214	(6,728)	56,093

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Graph 1.3 Net surplus/(deficit) after capital revenue



Consolidated Capital Program Statement (Attachment 1(c)):

Capital Program

The original capital expenditure budget for 2021-22 was \$88.3 million. The proposed revised budget, incorporating carry forward items and September variations is \$120.7 million (per table 1.4 and graph 1.4 below)

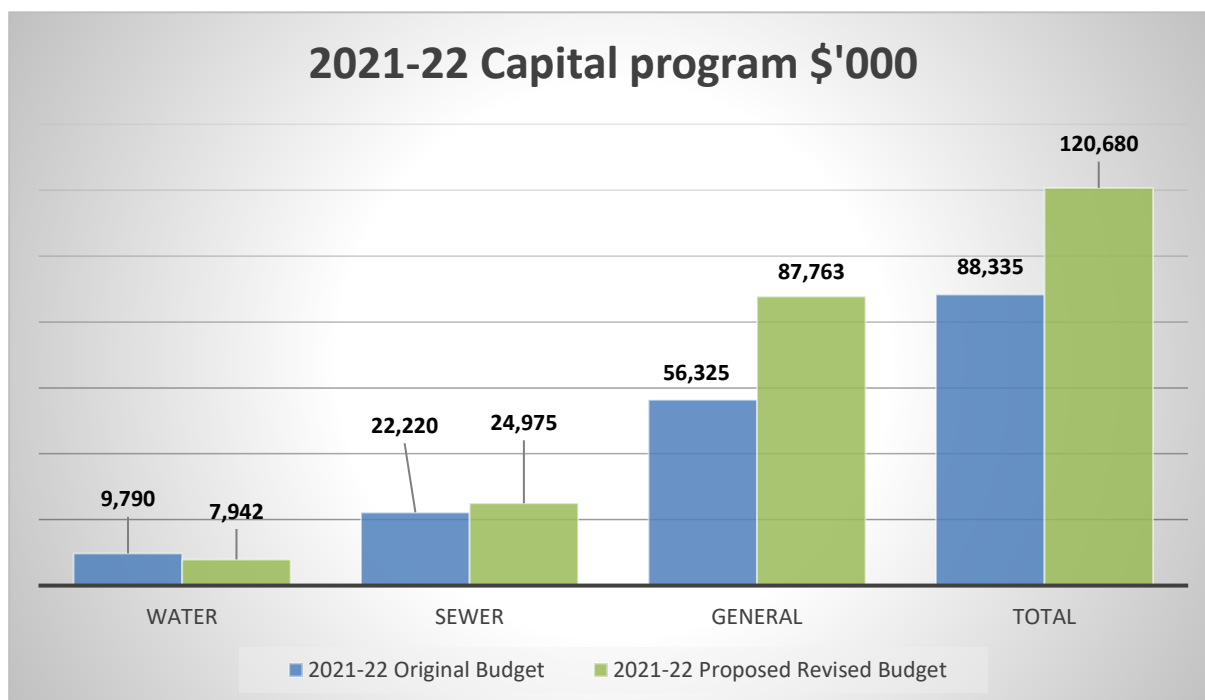
Table 1.4 Capital Program per fund, \$'000

Fund	2021-22 Original Budget	Previous Review	December Review	2021-22 Proposed Revised Budget
Water	9,790	0	(1,848)	7,942
Sewer	22,220	37	2,719	24,975
General	56,325	36,000	(4,563)	87,763
Consolidated	88,335	36,037	(3,693)	120,680

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Graph 1.4 Capital program per fund



December Review Adjustments (capital)

Capital budget adjustments totaling (\$3.7) million net decrease have been made during the December quarter and affect the current year's capital program. Significant variations increasing the originally adopted capital works program include:

- \$1.09m Fixing Local Roads – Araluen Road works
- \$900k Malua Bay Reserve Upgrade
- \$580k Capital Contribution for Surf Beach RFS Station
- \$418k TfNSW Road Safety Program
- \$200k Marine Work at Tuross Jetty
- \$200k Araluen Rd Works LRCI funded
- \$100k TfNSW contribution to Korner's Park Playground
- \$85k Drainage work Shirewide
- (\$5.63m) Mogo Trail Stage 1 construction (carry over to 2022/23)
- (\$3.15m) Coastal Headland Walk (carry over to 2022/23)
- (\$1.8m) Nelligen Water Scheme works deferred to next financial year offset by Water Supply Asset Renewal program works commencing this year
- \$3.0m Vesper Street Sewage Pumping Station works due to commence this year
- \$0.3m Tuross Sewerage Treatment Plant Augmentation works to commence this year offset by deferred Nelligen works to next year

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Special Rate Variation (SRV) – progress update (Attachment 1 (f)):

2021-22 is the sixth year of the SRV program and over \$8 million of infrastructure works for the year are underway. \$2.65 million of SRV designated funds are being utilised on these works. At the December review, approximately 19 % of the programmed SRV works for this year have been expensed. Significant variations include:

- Caseys Beach Rockwall \$0.9m: not yet commenced as this is waiting on coastal impact studies; this project will likely carry over into the next financial year.
- Araluen Road \$1.5m works not yet commenced

Attachment 1 (f) reports the detailed progress of the capital program showing individual project budgets and expenses with updates as at 31 December 2021. Total expenditure on the SRV designated projects as at 31 December 2021 is \$1.56 million (per Table 1.5 below).

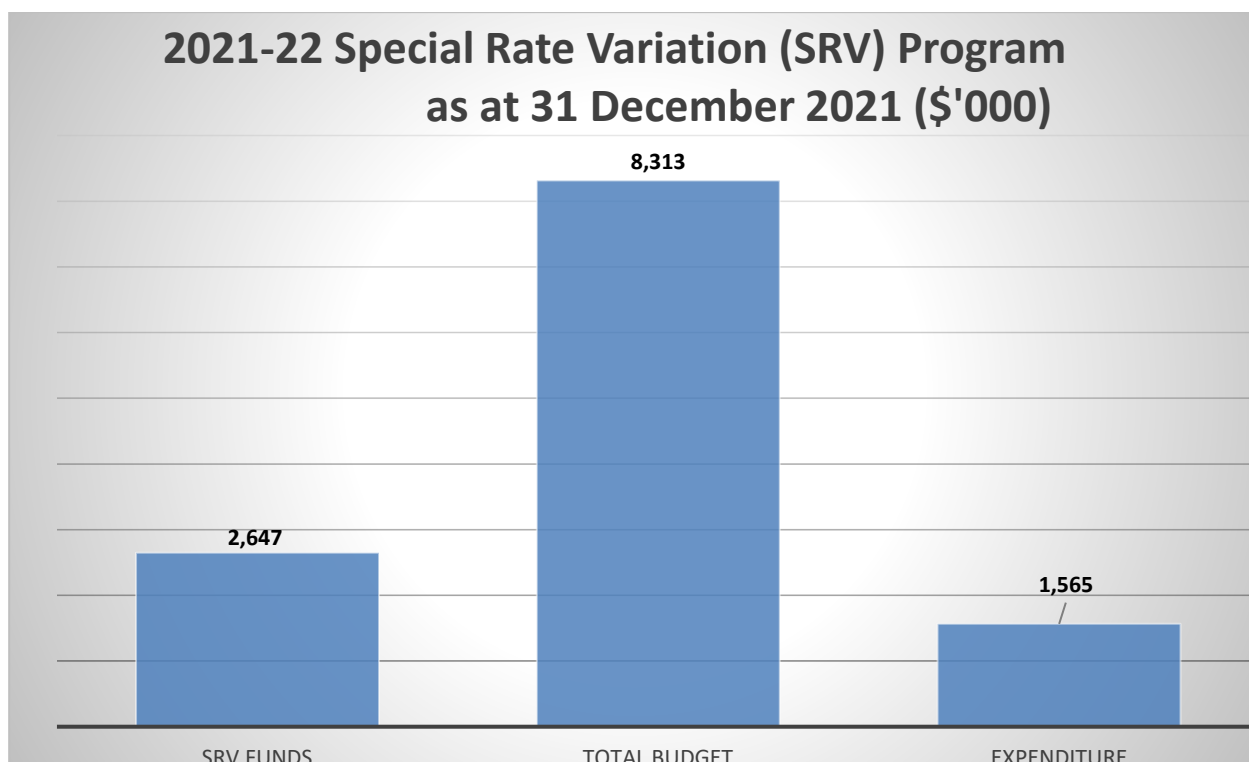
Table 1.5 2021-22 Special Rate Variation Capital Program \$'000

2021-22 Special Rate Variation (SRV) Capital Program	\$
SRV Funds	2,646,994
Total Budget	8,312,712
Expenditure to 31 December 2021	1,564,612
Percentage spent	18.82%

Graph 1.5 2021-22 Special Rate Variation Capital Program

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Legal

This review is based on the Quarterly Budget Review Statement Guidelines issued December 2010, pursuant to the provisions of the *Local Government Act 1993* relating to integrated planning.

Policy

The accounting policies being used are based on those detailed in the financial statements for the year ended 30 June 2021.

“Variations” in the Fund Flow Statement are changes in the funding requirements where “funds” are net current assets (working capital) excluding both internal and externally restricted funds.

CONCLUSION

There are no material concerns at this quarterly review about meeting budget targets for 2021-22.

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

As the Responsible Accounting Officer, it is my opinion that the September Quarterly Budget Review for Eurobodalla Shire Council indicates that Council’s projected financial position as at 30 June 2022 will be satisfactory, having regard to the projected estimates of income and expenditure for the 2021-22 financial year.

Total Council Summary

Attachment 1(a)

Description	Original Budget	Approved Changes		Proposed Adjustments	Proposed Revised Budget	Actual YTD
		Carry Overs	QBRS - Sept			
Income						
Rates & Annual Charges	-68,825,159	0	0	0	-68,825,159	-68,760,442
User Charges & Other	-37,080,613	-262,357	24,551	-1,014,977	-38,333,396	-15,267,366
Investment Revenues	-2,162,983	0	0	618,541	-1,544,442	-259,389
Operating Grants & contributions	-15,379,611	-2,017,119	-627,776	-3,918,530	-21,943,036	-8,669,615
Total Income	-123,448,366	-2,279,476	-603,225	-4,314,967	-130,646,033	-92,956,813
Expense						
Profit/Loss on Disposal of Assets	0	0	0	0	0	-1,983,454
Employee costs	44,216,218	24	842,903	30,247	45,089,392	21,997,114
Interest	2,317,669	0	0	-222,496	2,095,173	1,126,920
Depreciation	38,125,355	0	-2,072	-173,065	37,950,218	17,826,445
Other Costs (incl materials & contracts)	40,187,959	5,516,701	-324,684	4,494,657	49,874,632	23,709,747
Total Expense	124,847,201	5,516,725	516,147	4,129,343	135,009,415	62,676,773
Operating (Surplus)/Deficit before Capital	1,398,835	3,237,249	-87,078	-185,624	4,363,382	-30,280,040
Capital Income						
Developer Contributions	-2,827,047	0	0	-100,000	-2,927,047	-921,353
Capital Grants & Contributions	-32,178,862	-28,575,591	-3,788,491	7,013,654	-57,529,290	-21,764,152
Operating (Surplus)/Deficit after Capital	-33,607,074	-25,338,342	-3,875,569	6,728,030	-56,092,955	-52,965,544
Non Cash						
Profit/Loss on Disposal of Assets	0	0	0	0	0	1,983,454
Depreciation	-38,125,355	0	2,072	173,065	-37,950,218	-17,826,445
Total Non Cash	-38,125,355	0	2,072	173,065	-37,950,218	-15,842,991
Investing Fund Flows						
Capital Works	88,335,397	32,361,456	3,675,513	-3,692,593	120,679,773	49,625,413
Asset Sales	-787,394	0	0	0	-787,394	-2,715,090
Deferred Debtor Repayments	-16,000	0	0	0	-16,000	-4,298
Total Investing Fund Flows	87,532,003	32,361,456	3,675,513	-3,692,593	119,876,379	46,906,025
Financing Fund Flows						
Proceeds from Borrowings	-18,483,730	-777,307	0	583,523	-18,677,514	0
Repayments of Borrowings	10,300,598	0	0	-664,621	9,635,977	2,797,647
Total Financing Fund Flows	-8,183,132	-777,307	0	-81,098	-9,041,537	2,797,647
Net (Inc)/Dec in Funds before Transfers	7,616,442	6,245,807	-197,984	3,127,404	16,791,669	-19,104,864
Reserve Movements						
Transfer from Reserves	-39,520,335	-4,063,587	-871,317	-130,226	-44,585,464	-19,576,555
Transfer to Reserves	24,266,429	1,519,369	0	-494,129	25,291,668	9,231,823
Total Reserve Movements	-15,253,906	-2,544,218	-871,317	-624,355	-19,293,796	-10,344,732
Net (Inc)/Dec in Unrestricted Funds	-7,637,464	3,701,589	-1,069,301	2,503,049	-2,502,127	-29,449,596

Description	Original Budget	Approved Changes		Proposed Adjustments	Proposed Revised Budget	Actual YTD
		Carry Overs	QBRs - Sept			
Income						
Rates & Annual Charges	-68,825,159	0	0	0	-68,825,158	-68,760,443
User Charges & Other	-37,080,613	-262,357	24,551	-1,014,977	-38,333,396	-15,267,366
Investment Revenues	-2,162,983	0	0	618,541	-1,544,442	-259,389
Operating Grants & contributions	-15,379,611	-2,017,119	-627,776	-3,918,531	-21,943,037	-8,669,615
Total Income	-123,448,366	-2,279,476	-603,225	-4,314,967	-130,646,033	-92,956,813
Expense						
Business Development (BD)	425,278	488,413	0	46,642	960,333	185,023
Children's Services (CS)	1,709,540	197,821	69,431	-7,213	1,969,579	1,028,295
Commercial Entities (CE)	5,483,184	190,000	10,932	-158,820	5,525,296	2,586,033
Communications	720,910	55,435	0	-5,620	770,725	422,719
Community & Cultural Development (CCD)	1,087,688	154,070	9,339	30,025	1,281,122	437,188
Community Care (CC)	7,200,883	928,368	16,292	-89,823	8,055,720	3,533,299
Community Facilities (CF)	2,035,296	0	107,000	51,286	2,193,582	980,641
Corporate & Community Leadership (CCL)	3,833,761	550,850	325,911	-8,306	4,702,216	1,781,769
Customer Assistance and Records (CAR)	1,029,310	0	-23,750	-7,973	997,587	395,865
Development Assessment & Building Certification (DABC)	4,034,623	116,708	-10,000	178,357	4,319,688	1,902,466
Environmental Management (EM)	1,188,791	1,271,257	124,820	158,721	2,743,589	1,081,554
Finance and Central Treasury (FCT)	3,718,225	28,046	38,941	-208,453	3,576,759	1,201,778
Fleet and Plant (FP)	1,301,190	0	125,045	-41,823	1,384,412	99,795
Information Technology (IT)	4,227,603	0	-34,538	92,930	4,285,995	2,368,892
Libraries (L)	2,096,715	185,941	42,054	-9,640	2,315,070	1,075,557
Property (P)	1,168,425	0	0	-205,108	963,317	-1,212,771
Public and Environmental Health (PEH)	1,091,075	41,531	0	33,426	1,166,032	495,150
Public Order and Safety (POS)	3,111,843	0	-398,596	3,239,549	5,952,796	3,203,299
Recreation (R)	8,934,618	84,396	50,000	166,791	9,235,805	3,796,692
Risk and Insurance (RI)	1,264,680	0	0	-1,051	1,263,629	1,457,723
Sewer Services (SS)	22,306,514	0	0	-12,515	22,293,998	10,644,400
Stormwater (S)	2,199,539	0	0	4,491	2,204,030	1,037,376
Strategic Planning (SP)	1,380,510	570,086	50,000	-42,506	1,958,090	760,234
Technical Services (TS)	2,504,703	0	0	-24,082	2,480,621	1,269,881
Tourism (T)	1,133,087	172,312	0	27,547	1,332,946	649,388
Transport (TR)	24,738,621	0	-207,000	319,906	24,851,527	14,323,363
Waste Management (WM)	11,700,404	0	0	588,247	12,288,651	4,834,010
Water Services (WS)	16,887,770	0	11,473	-221,023	16,678,220	8,158,505
Works and Operations (WO)	4,315,728	12,582	199,538	-190,882	4,336,966	3,169,583
Workforce Development (WD)	1,884,427	0	5,511	147,689	2,037,627	737,060
Youth Services (YS)	511,707	468,909	3,744	278,574	1,262,934	300,315
Corporate Overheads	-21,493,774	0	0	0	-21,493,774	-10,746,887
Rates and General Revenue	1,114,327	0	0	0	1,114,327	718,578
Total Expense	124,847,201	5,516,725	516,147	4,129,343	135,009,415	62,676,773
Operating (Surplus)/Deficit before Capital	1,398,835	3,237,249	-87,078	-185,624	4,363,382	-30,280,040
Capital Income						
Developer Contributions	-2,827,047	0	0	-100,000	-2,927,047	-921,353
Capital Grants & Contributions	-32,178,862	-28,575,591	-3,788,491	7,013,654	-57,529,290	-21,764,151
Operating (Surplus)/Deficit after Capital	-33,607,074	-25,338,342	-3,875,569	6,728,030	-56,092,955	-52,965,544

Consolidated Capital Program Statement - December Quarterly Budget Review
for YTD Period Ending December 2021

Attachment 1(c)

Description	Original Budget	Approved Changes		Proposed Adjustments	Proposed Revised Budget	Actual YTD
		Carry Overs	QBRS - Sept			
Capital Expenditure						
Business Development (BD)	0	2,008,099	0	0	2,008,099	292,291
Children's Services (CS)	25,000	200,057	0	0	225,057	203,844
Commercial Entities (CE)	815,966	625,000	856,953	0	2,297,919	322,539
Community & Cultural Development (CCD)	8,365	0	100,000	11,000	119,365	100,000
Community Facilities (CF)	636,519	134,101	-85,000	-93,000	592,620	174,729
Corporate & Community Leadership (CCL)	26,142	0	0	0	26,142	29,977
Environmental Management (EM)	0	1,896	0	0	1,896	4,445
Finance and Central Treasury (FCT)	0	0	0	0	0	1,460
Fleet and Plant (FP)	2,793,910	495,015	0	90,500	3,379,425	999,792
Information Technology (IT)	1,311,755	0	0	0	1,311,755	374,440
Libraries (L)	179,284	5,212	40,000	0	224,496	85,455
Property (P)	0	0	0	0	0	198,125
Public Order and Safety (POS)	25,000	1,423,550	0	792,000	2,240,550	97,198
Recreation (R)	5,944,005	12,937,564	858,031	-7,996,210	11,743,390	1,568,736
Sewer Services (SS)	22,220,000	155,277	-118,640	2,718,640	24,975,277	10,283,083
Stormwater (S)	475,353	71,900	-14,000	85,600	618,853	309,089
Strategic Planning (SP)	35,300,000	-1,077,714	0	0	34,222,286	18,474,169
Tourism (T)	0	14,952	0	0	14,952	53,566
Transport (TR)	8,734,942	13,902,639	1,993,170	2,513,277	27,144,027	13,598,299
Waste Management (WM)	0	1,181,616	0	0	1,181,616	0
Water Services (WS)	9,790,000	0	0	-1,848,400	7,941,600	2,219,801
Works and Operations (WO)	49,156	282,292	45,000	34,000	410,448	189,651
Youth Services (YS)	0	0	0	0	0	44,726
Total Capital Expenditure	88,335,397	32,361,456	3,675,513	-3,692,593	120,679,773	49,625,413

Description	Opening Balances	Original Budget	Approved Changes		Proposed Adjustments	Proposed Revised Budget	Closing Balances
			Carry Overs	QBRs - Sept			
Cash as reported in the Financial Statements at 30.6.2021	21,051,391						
Less payables cleared post year end	-9,790,974						
TOTAL UNRESTRICTED FUNDS as at 30.06.2021	11,260,417	18,912	-2,395,741	521,453	270,607	-1,584,769	9,675,648
Externally Restricted Funds							
Water Fund	39,237,802	6,283,517	724,874	-11,473	1,497,396	8,494,314	47,732,116
Sewer Fund	15,408,001	-1,082,573	-124,232	559,320	-4,151,658	-4,799,143	10,608,858
Domestic Waste Fund	20,533,875	2,417,608	-1,181,616	0	-119,394	1,116,598	21,650,473
Section 94 Developer Contributions	11,741,311	-566,114	-87,000	0	-548,988	-1,202,102	10,539,209
Section 94A Developer Contributions	2,213,539	-1,346,236	0	0	-21,082	-1,367,318	846,221
Unexpended Grants	1,676,262	-77,376	-888,972	-761,072	469,792	-1,257,628	418,634
Government Bushfire Recovery	545,569	0	-330,409	-10,000	0	-340,409	205,160
Other Contributions	2,128,039	0	-61,826	-60,000	-679,541	-801,367	1,326,672
Sewer Loans External	33,574	0	0	0	-33,574	-33,574	0
Stormwater Fund	305,503	128,907	-203,000	0	0	-74,093	231,410
Other Waste Funds	2,995,132	-222,926	0	0	0	-222,926	2,772,206
Crown Reserve	5,332,199	-2,871,666	0	0	357,897	-2,513,769	2,818,430
CS Asset Replacement	363,904	0	0	0	0	0	363,904
Crown Reserve Loan Pool	149,228	2,123	0	0	0	2,123	151,351
Total Externally Restricted Funds	102,663,938	2,665,265	-2,152,181	-283,225	-3,229,152	-2,999,294	99,664,644
Internally Restricted Funds							
Infrastructure Fund	297,311	-175,000	-58,677	25,000	0	-208,677	88,634
Employee Leave Entitlements	4,496,579	79,602	0	0	0	79,602	4,576,181
Community Development Infrastructure Fund	58,164	-58,164	0	0	0	-58,164	0
Council Funded Loan Pool	156,318	3,609	0	0	0	3,609	159,927
Energy And Efficiency Fund	626,718	7,192	-7,251	0	0	-59	626,659
Gravel Pits	845,520	0	0	0	0	0	845,520
Management Committees	145,092	15,759	0	0	0	15,759	160,851
Sports Liason Committee	239,420	20,485	0	0	-13,000	7,485	246,905
Unexpended General Loan Fund	1,173,860	0	-12,585	0	0	-12,585	1,161,275
Real Estate Disposal	4,241,057	-2,953,190	0	-40,000	-60,000	-3,053,189	1,187,868
Special Rate Variation	2,957,925	354,810	-1,081,096	-15,060	889	-740,457	2,217,468
Infrastructure Renewals (FFTF)	8,685,891	-7,418,129	0	0	0	-7,418,129	1,267,762
Recreation Strategy	59,566	-41,209	-64,373	-10,185	0	-115,767	-56,201
Other Internal Reserves	4,901,608	-136,383	-473,903	0	-96,748	-707,034	4,194,574
Financial Assistance Grants	3,668,943	0	0	0	0	0	3,668,943
Total Internally Restricted Funds	32,553,972	-10,300,618	-1,697,885	-40,245	-168,859	-12,207,606	20,346,366
Total Council Funds (less payables cleared)	146,478,327	-7,616,442	-6,245,807	197,984	-3,127,404	-16,791,669	129,686,658

Entity	Cost Centre	Fund Flow Type	(Favourable)/ Unfavourable	Quarterly Budget Review Comments Q2	
Environment Fund	Invasive Species	Operating Grants & contributions	(92,412)	Grant funded Weeds Action Program works	
		Other Costs (incl materials & contracts)	92,412		
	Various	Various	(6,669)	Various minor adjustments this quarter	
Environment Fund Total			(6,669)		
Sewer Fund	New Sewer Schemes	Capital Grants & Contributions	1,000,000	Revised timing of Nelligen Sewerage Scheme project	
		Purchase of Assets	(1,781,360)		
		Transfers from (to) Restricted Investment:	440,680		
Sewer Treasury	Sewerage System Augmentations	Investment Revenues	(27,296)	Adjustment for approved 2019-20 Water & Sewer dividend payment offset by reduced investment income	
		Proceeds from Borrowings	533,574	Revised timing of loan funding for Nelligen Sewerage Scheme project	
		Transfers from (to) Restricted Investment:	(533,574)		
Various	Various	Purchase of Assets	4,500,000	Revised timing of Tuross, Tomakin and Vesper Street (Bay Pavilions) sewerage projects	
		Various	19,634	Various minor adjustments this quarter	
Sewer Fund Total			4,151,658		
Water Fund	New Water Supply Scheme	Capital Grants & Contributions	600,000	Revised timing of New Water Supply Scheme project	
		Purchase of Assets	(2,400,000)		
	Water Administration & Management	Employee costs	(58,425)	Reduced workers compensation expense based on revised 2021-22 estimate	
	Water Supply Asset Renewals	Purchase of Assets	451,600	Revised timing of various Water Supply projects	
		Transfers from (to) Restricted Investment:	(51,600)	Contribution funding for GBD/Ocean View Way Water Main Relocati	
	Water Supply New Assets	Purchase of Assets	100,000	Revised timing of Deep Creek Dam Spillway project	
	Water Treasury	Interest	(170,790)	Revised interest & principal repayments	
		Repayments of Borrowings	(299,165)		
	Various	Various	Investment Revenues	299,792	Reduced investment income offset and adjustment for approved 2019-20 Water & Sewer dividend payment
			Various	31,192	Various minor adjustments this quarter
	Water Fund Total			(1,497,396)	
Waste Fund	Waste Administration	Investment Revenues	81,147	Reduced investment income	
		Waste Disposal And Recycling	Operating Grants & contributions	(550,000)	Grant funded NSW Environment Protection Authority (EPA) Fencecycle project
	Various	Other Costs (incl materials & contracts)	550,000		
Various	Various	Various	38,247	Various minor adjustments this quarter	
		Various	119,394		
Waste Fund Total			119,394		

Entity	Program	Fund Flow Type	(Favourable)/ Unfavourable	Quarterly Budget Review Comments Q2
General Fund	Botanic Gardens	Depreciation	(67,300)	Reversal of bushfire impairment loss due to repair of asset:
	Caravan Parks & Camp Grounds	User Charges & Other	60,000	Reduced lease income at Narooma Flats Caravan Park due to COVID-19 lockdown rent rebate
		Repayments of Borrowings	(474,772)	Reduced loan principal & interest payments
		Transfers from (to) Restricted Investments	408,045	
	Community Care	Operating Grants & contributions	787,654	Change in funding model from contributions to user charges, ceasing of ComPacks Hospital Discharge Program and annual refund of 2021 surplus:
		User Charges & Other	(960,779)	Revised NDIS & Homecare Package revenue budgets
		Employee costs	550,032	Increased employee costs offset by reduction in other costs and increased revenue
		Other Costs (incl materials & contracts)	(635,497)	Reduction in other costs offsetting increase to employee cost
		Transfers from (to) Restricted Investment:	(151,673)	Adjustment to 2020-21 unexpended grants roll-out
	Community Development & Youth	Operating Grants & contributions	(286,500)	Grant funded Creating Careers Pathways project
		Other Costs (incl materials & contracts)	286,500	
	Development Services	Other Costs (incl materials & contracts)	200,000	Contribution funded works on Barlings Beach Aboriginal Place project
		Transfers from (to) Restricted Investment:	(200,000)	
	Emergency Services	Operating Grants & contributions	(3,234,821)	Grant funded EPA Bushfire Generated Green Waste Cleanup and other funded Rural Fire Service (RFS) works
		Employee costs	32,291	
		Other Costs (incl materials & contracts)	3,213,556	
		Purchase of Assets	200,000	Contribution funded Emergency Services Precinct Surf Beach project
		Transfers from (to) Restricted Investment:	(200,000)	
	Facilities Management	Capital Grants & Contributions	(580,000)	Grant funded Surf Beach RFS works
		Purchase of Assets	670,000	Grant funded Surf Beach RFS works and restriction funded Narooma Pool Heating upgrade
		Transfers from (to) Restricted Investments	(143,569)	Restriction funding for Narooma Pool Heating upgrade and Crown Reserve funding for Bay Pavilion loan & interest repayments
	Finance	Investment Revenues	246,194	Reduced investment revenue:
		Developer Contributions	(100,000)	Increased Rural Roads Developer Contributions:
		Transfers from (to) Restricted Investment:	274,205	Revised loan repayments and increased Rural Roads Developer Contribution
	Governance & Administration	Purchase of Assets	90,500	Transfer from Community Care Other Costs for purchase of vehicle:
	Information Technology	Operating Grants & contributions	(110,000)	Local Roads and Community Infrastructure (LRCI) funded Traffic Safety Sensor
		Other Costs (incl materials & contracts)	110,000	Network project
	Repayments of Borrowings	53,499	Revised loan repayments	
Organisational Development	Employee costs	160,000	Restriction funded Work Health & Safety Management project	
	Transfers from (to) Restricted Investment:	(160,000)		
Other Works	Employee costs	(176,529)	Reduced workers compensation expense based on revised 2021-22 estimate	
Property Services	Employee costs	(211,743)	Adjustment to 2021-22 salary budget	
Recreation	Capital Grants & Contributions	2,248,150	Revised timing of grant funded Coastal Headlands Walk project offset by introduction	
	Purchase of Assets	(2,825,000)	of grant funded Malua Bay Beach Reserve project	
	Transfers from (to) Restricted Investment:	675,000	Revised timing of grant funded Coastal Headlands Walk project	
	Operating Grants & contributions	(151,400)	Grant funded RFS work	
	Other Costs (incl materials & contracts)	151,400		

Entity	Program	Fund Flow Type	(Favourable)/ Unfavourable	Quarterly Budget Review Comments Q2
General Fund Cont'd	Recreation Admin	Depreciation	(64,799)	Remove depreciation for disposed Moruya Racecourse
	Strategic Development	Capital Grants & Contributions	5,633,777	Revised timing of grant funded Mogo Adventure Trail project
		Purchase of Assets	(5,633,777)	
		Operating Grants & contributions	62,667	Revised budget for Narooma Coastal Flood Studies project based on latest workplan. part grant funded
		Other Costs (incl materials & contracts)	(93,997)	
			60,000	Restriction funded Dalmeny Masterplan project
		Transfers from (to) Restricted Investment:	(60,000)	
	Transport	Capital Grants & Contributions	(1,594,442)	Various grant and restriction funded transport projects
		Purchase of Assets	2,497,277	
		Transfers from (to) Restricted Investment:	(850,000)	Restriction funding for Grandfathers Gully Bends projec
		Operating Grants & contributions	(200,000)	Grant funded LRCl works
		Other Costs (incl materials & contracts)	200,000	
	Various	Various	(141,151)	Various minor adjustments this quarter
General Fund Total			(437,003)	
Total Budget Amendments			2,329,984	

Special Rate Variation Program Statement
for YTD Period Ending December 2021

Description	SRV Funding Amount (Revised)	Current Revised Budget	Actual YTD Costs	\$ Remaining	% Spent	Progress Update
Facilities Management						
Sporting amenities - minor renewal activities	-74,048	124,951	0	124,951	0.00%	Yet to commence
Halls, Library & Community Centres-Asbestos Remov	-26,197	42,406	0	42,406	0.00%	In progress - works commenced 2018-19
Capt Oldrey Reserve Amenities Upgrades	-6,272	186,303	75,801	110,501	40.69%	In progress
Moruya Pool - Clubroom Access Upgrade	-10,000	10,000	0	10,000	0.00%	Yet to commence
Aquatic Facilities – Repainting	-44,273	75,000	0	75,000	0.00%	Yet to commence
Tennis Access Upgrade	-19,000	25,338	0	25,338	0.00%	Yet to commence
Hanging Rock Structural Repairs	-17,778	30,000	26,000	4,000	86.67%	In progress
Broulee Tennis Complex - Preventative Maintenance	-8,889	15,000	0	15,000	0.00%	Yet to commence
Mackay Park Changerooms Repaint	-11,852	20,000	0	20,000	0.00%	Yet to commence
Dalmeny Tennis Court Resurface	-35,557	73,000	1,123	71,877	1.54%	In progress
Total Facilities Management	-253,866	601,997	102,924	499,073	17.10%	
Transport						
Gravel Resheet - Unsealed Roads Resheeting	-89,835	989,520	483,547	505,973	48.87%	In progress
Reseal - Local Urban Sealed	-453,710	1,908,315	592,693	1,315,622	31.06%	In progress
Tuross Head Boat Ramp - Dredging	-28,860	90,561	13,275	77,286	14.66%	In progress
Shared Pathway - South Head Road, Moruya	-7,882	55,719	26,001	29,718	46.66%	In progress
Edward Road Batehaven - Pathway	-11,035	70,537	0	70,537	0.00%	Yet to commence
Beach Rd Denhams Beach - Pathway	-6,306	40,207	0	40,207	0.00%	Yet to commence
Northcove Rd Long Beach - Pathway	-6,306	40,000	0	40,000	0.00%	Yet to commence
Noble Parade Dalmeny - Pathway	-7,882	50,000	0	50,000	0.00%	Yet to commence
Evans Rd Tuross Head - Pathway	-8,275	52,490	0	52,490	0.00%	Yet to commence
Annetts Parade Mossy Point - Pathway	-3,941	25,000	0	25,000	0.00%	Yet to commence
Sunpatch Parade Tomakin - Pathway	-7,881	50,000	16,205	33,795	32.41%	In progress
Araluen Road - Resheeting (FLR Rnd 3)	-21,137	952,922	0	952,922	0.00%	Yet to commence
Araluen Road - Extend Seal (FLR Rnd 3)	-30,450	505,000	287	504,713	0.06%	In progress
Total Transport	-683,500	4,830,271	1,132,007	3,698,264	23.44%	

Special Rate Variation Program Statement
for YTD Period Ending December 2021

Description	SRV Funding Amount (Revised)	Current Revised Budget	Actual YTD Costs	\$ Remaining	% Spent	Progress Update
Recreation						
Burri Point, Guerrilla Bay	-63,762	63,025	8,015	55,010	12.72%	In progress
Observation Point, Batehaven Viewing Platform	-38,802	921,861	71,305	850,556	7.73%	In progress
Parks Facilities Renewals - Seats/Tables	-68,568	180,700	109,238	71,462	60.45%	In progress
Playground renewals	-68,634	153,528	0	153,528	0.00%	Yet to commence
Riverside Park Improvements	-212,032	222,634	0	222,634	0.00%	Yet to commence
Sporting Fields - topdressing/renovation	-153,900	234,766	31,979	202,787	13.62%	In progress
Total Recreation	-605,697	1,776,514	220,537	1,555,976	12.41%	
Public Conveniences						
Stormwater CCTV	-14,000	14,000	0	14,000	0.00%	Yet to commence
Stormwater Renewal - Pleasant Place Tuross	-18,000	18,000	18,010	-10	100.05%	In progress
Stormwater Renewal - South Head Rd/Hazel Rd	-15,000	15,000	572	14,428	3.81%	In progress
Stormwater Renewal - The Anchorage South Head	-28,000	28,000	0	28,000	0.00%	Yet to commence
Stormwater Renewal - Heron Rd Catalina	-40,000	40,000	31,505	8,495	78.76%	In progress
Stormwater Renewal - Island View Rd Tuross	-85,000	85,000	58,985	26,015	69.39%	In progress
Total Public Conveniences	-200,000	200,000	109,071	90,929	54.54%	
Environment Works						
Beach Road (Caseys Beach) Rockwall St 1	-903,930	903,930	73	903,857	0.01%	In progress
Total Environment Works	-903,930	903,930	73	903,857	0.01%	
Total SRV Program	-2,646,994	8,312,712	1,564,612	6,748,100	18.82%	

Consultancy, Legal and Contractors Expenses for the quarter ending 31 December 2021

Attachment 2

Contracts entered into greater than \$50,000

<u>Contractor</u>	<u>Contract detail & purpose</u>	<u>Contract Value (GST Excl)</u>	<u>Commencement Date</u>	<u>Duration of contract</u>	<u>Budgeted (Y/N)</u>
Fairlight Engineering	Silo Farm Bridge investigation & design	\$ 63,000	01-Oct-21	5 to 6 months	Yes
Cultural Capital Studio Pty Ltd	Creative sculptures for the Bay Pavilions	\$ 164,320	08-Oct-21	due to install, March 22	Yes
Asset Arbor Business Trust	Natural disaster tree removal	\$ 1,254,545	14-Oct-21	On completion of work	Yes
Eurobodalla Tree Services	Natural disaster tree removal	\$ 779,268	15-Oct-21	On completion of work	Yes
Synthetic Sports Group	Dalmeny Tennis court renewal	\$ 72,920	27-Oct-21	On completion of work	Yes
Topnotch Fencing	Grandfathers Gully bends fencing	\$ 138,704	17-Nov-21	On completion of work	Yes
Gippsland Truck Centre	Vehicle replacements as per approved 2021-2022 plan	\$ 437,400	17-Nov-21	On delivery of vehicles	Yes
Group GSA Pty Ltd	Dalmeny Masterplan	\$ 89,500	24-Nov-21	On completion of work	Yes
International Cleaning Services	Public Toilet monthly cleaning contract - North & South	\$ 304,944	03-Dec-21	2 Years	Yes
Jim's Cleaning Moruya	Public Toilet monthly cleaning contract - Central	\$ 187,885	03-Dec-21	2 Years	Yes
Maxwood Technology Australia Pty Ltd	Bay Pavilions furniture & equipment	\$ 113,602	08-Dec-21	Delivery April 22	Yes
Telstra Corporation	Services relocation at Tomakin Road	\$ 60,230	16-Dec-21	On completion of work	Yes
A & J Power Formwork	Culvert restoration Araluen Road	\$ 83,601	22-Dec-21	On completion of work	Yes

Consultancy and Legal Expenses Incurred

	<u>December Quarter</u>	<u>Budgeted (Y/N)</u>	<u>Comments</u>
Consultants	1,557,467	Y	Design works and construction management, civil engineering
Legal Fees	195,201	Y	Contract advice & general legal advice

Definition of consultant:

A consultant is a person or organisation engaged under a 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.

Eurobodalla Shire Council

Key Performance Indicators : Consolidated Results for the quarter ended December 2021

Indicator	Target	Original Budget 2021-22	Projected FY 2021-22
Unrestricted Current Ratio	> 1.5	> 2.1	> 2.2
Operating Performance Ratio	minimum 0%	-1.13%	-3.34%
Buildings & Infrastructure Renewals Ratio	= > 100%	78%	135%

*Refer Note (a)**Refer Note (b)***Explanations:**

Unrestricted Current Ratio - Indicates adequacy of working capital and the ability to satisfy obligations in the short term.

Operating Performance Ratio - Indicates achievement of containing operating expenditure within operating revenue.

Buildings & Infrastructure Renewals Ratio - Indicates the rate at which assets are being renewed compared to the rate at which they are depreciated.

Target : Source 2020-21 Financial Statements

Notes:

(a) Budgeted ratios are based on the original budgets for 2021-22.

(b) Projected ratios are based on the revised budgets for 2021-22.

Mayoral and Councillor Fees and Expenses Statement

For the quarter ended 31 December 2021

Attachment 4

Councillor	Councillor Allowance	Conference / Delegate Costs	Travelling Expenses	Phone / Fax/ Internet etc	Training / Skill Development	Other Costs	Total
Previous Council							
Cr L Brown	3,726	0	0	54	0	0	3,780
Cr L Innes	14,742	0	3,421	39	0	0	18,203
Cr Constable	3,726	0	0	33	0	0	3,760
Cr Mayne	3,726	0	0	72	0	0	3,798
Cr McGinlay	3,726	0	0	52	0	0	3,779
Cr Nathan	3,726	0	0	32	0	0	3,758
Cr Tait	3,726	0	0	40	0	0	3,766
Cr J Thomson	3,726	0	140	54	0	0	3,920
Cr Pollock	3,726	0	112	33	0	0	3,871
New Council							
Clr R Pollock	0	0	0	31	0	0	31
Clr T Harrison	0	0	0	31	0	0	31
Clr A Mayne	0	0	0	31	0	0	31
Clr M Hatcher	0	0	0	31	0	0	31
Clr D Grace	0	0	0	31	0	0	31
Clr A Schutz	0	0	0	31	0	0	31
Clr T Dannock	0	0	0	31	0	0	31
Clr A Worthington	0	0	0	31	0	0	31
Clr P Diskon	0	0	0	31	0	0	31
Total	44,552	0	3,673	691	0	0	48,916

Notes:

Travelling Expenses includes mayoral lease back arrangements