
CCS17/088 BUDGET REVIEW FOR THE PERIOD ENDED 30 SEPTEMBER 2017

E05.9535

Responsible Officer: Anthony O'Reilly - Director Corporate and Commercial Services

Attachments:

1. Under Separate Cover - Attachment 1(a) - Fund flow Statement
2. Under Separate Cover - Attachment 1(b) - Consolidated Income Statement
3. Under Separate Cover - Attachment 1(c) - Capital Program Statement
4. Under Separate Cover - Attachment 1(d) - Projected Fund Balances Statement
5. Under Separate Cover - Attachment 1(e) - Budget Amendments Report
6. Under Separate Cover - Attachment 1(f) - Special Rate Variation Projects
7. Under Separate Cover - Attachment 2 - Consultancy, Legal and Contractors Report
8. Under Separate Cover - Attachment 3 - Key Performance Indicators
9. Under Separate Cover - Attachment 4 - Mayoral and Councillor Expenditure

Focus Area: Support Services

Delivery Program Link: SS1.1 Manage Council's financial assets and obligations

Operational Plan Link: SS1.1.2 Undertake forward budgeting and financial reporting

EXECUTIVE SUMMARY

This Budget Review reports on Council's performance against the current Operational Plan budget for the quarter ending 30 September 2017. Major variations are highlighted.

The original Operational Plan budget, on a consolidated basis (which includes all of Council's funds), for 2017-18 forecasts were:

- Income Statement surplus, before capital revenue, of \$3.99 million
- Income Statement surplus, after capital revenue, of \$16.78 million
- Deficit cash/fund flows of \$(0.62) million.

The revised budgets after the quarter ending 30 September 2017 are:

- Income Statement deficit, before capital revenue, of \$(1.07) million
- Income Statement surplus, after capital revenue, of \$16.32 million
- Deficit cash/fund flows of \$(0.02) million.

The revised, consolidated 2017-18 budget is impacted by the carry forward of ongoing projects from the previous year. These continuing projects are carried forward, or 'revoted', from the 2016-17 year to the 2017-18 financial year and incorporated into the current budget. This is primarily due to the timing of grants received and ongoing capital works. Further detail is provided in this report.

The result of bringing these projects from last financial year into the 2017-18 year is:

- Unfavourable income statement impact of \$(2.88) million before capital revenue

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- A reduction, to that originally budgeted, in unrestricted funds to be utilised this financial year of \$0.7 million.

The current year, September Review, adjustments result in unfavourable variations for the income statement, before capital revenues, of \$(2.18) million and a minor increase in the amount of unrestricted funds to be used, \$(0.06) million as per the Consolidated Fund Flow Statement.

There are no material concerns at the quarterly review about Council meeting budget targets for 2017-18.

RECOMMENDATION

THAT

1. The budget review report for the quarter ended 30 September 2017 be received and noted.
2. The unfavourable variations for the Income Statement after capital revenue of \$(0.46) million and unfavourable variations of \$(0.6) million as per the Consolidated Fund Flow Statement be adopted.

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 Councils unrestricted working capital.
- b) Consolidated Income Statement – Provides sources of income and expenditure, including depreciation, in the program areas and associated services.
- 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 balances and 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 2017-18.

Consultancy, Legals and Contractors Report (Attachment 2)

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This attachment provides information on major contracts entered into, legal fees incurred and consultancy costs for the quarter ended 30 September 2017.

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 30 September 2017.

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 programs and borrowing activities. It also includes the transfer into, or use of restricted funds for capital or non-recurrent projects. Depreciation is not included as it does not represent a cash flow.

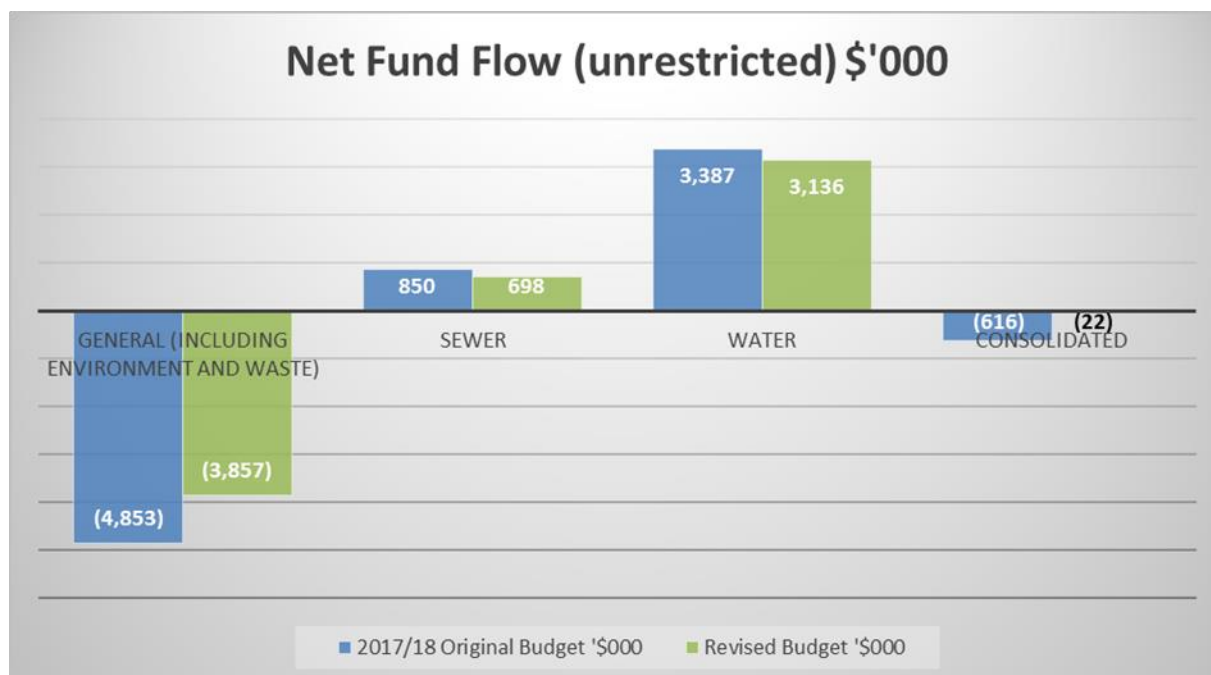
The net fund flow shows the amount of unrestricted funds that will be used to deliver the agreed Operational Plan outcomes for 2017-18. The consolidated original budget forecast a \$0.62 million use of unrestricted funds. The impact of carry forward items from last financial year and the September review amendments reduces the amount of unrestricted funds to be utilised to \$0.02 million. See table 1.1 and graph 1.2 below.

Table 1.1 Net fund flow (unrestricted) per fund

Fund	2017/18 Original Budget '\$000	Opening Revotes '\$000	September Review '\$000	Revised Budget '\$000
General	(3,025)	1,186	(113)	(1,952)
Environment*	(24)	(32)	0	(56)
Waste*	(1,804)	(52)	8	(1,848)
Sewer	850	(178)	26	698
Water	3,387	(267)	16	3,136
Total	(616)	657	(63)	(22)

**Waste and Environment form part of the General fund but have been listed separately in this table to show how much unrestricted cash is being utilized in each area.*

Graph 1.1 Net fund flow (unrestricted)



Consolidated Income Statement (Attachment 1(b)):

The original budgeted operating result, for the consolidated entity, was a surplus of \$3.99 million before capital revenue. The revised budget, incorporating the September review amendments and approved revotes from 2016-17, is a deficit of \$(1.07) million before capital revenues (per table 1.2 and graph 1.2 below).

Opening revotes (operational)

The operating result has been impacted by the carry forward of ongoing projects from the 2016-17. The result of bringing these projects from last financial year into the 2017-18 year is an unfavourable income statement impact of \$(2.88) million before capital revenue. The majority of the projects relate to grants received during 2017-18 with associated works to continue across the financial year end.

Significant carried forward operational items include:

- \$1.40 million of grant funded flying fox management works
- \$0.56 million of other ongoing grant funded environmental works
- \$0.26 million of contribution funded certificate and traineeship programs
- \$0.12 million of grant and other funded street lighting upgrades
- \$0.36 million of grant funded community wellbeing projects
- \$0.13 million of strategic development projects
- \$0.61 million of other minor ongoing projects

Whilst much of the funding associated with the above projects was received in 2016-17, an amount of \$0.43 million was 'revoted' to be recognised in 2017-18 upon completion of related projects.

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September Review adjustments (operational)

The following items are a summary of the recommended changes to the originally adopted Operational Plan budget for 2017-18, for the first quarter. The impact of these changes is unfavourable to the operating statement before capital revenue of \$2.2 million.

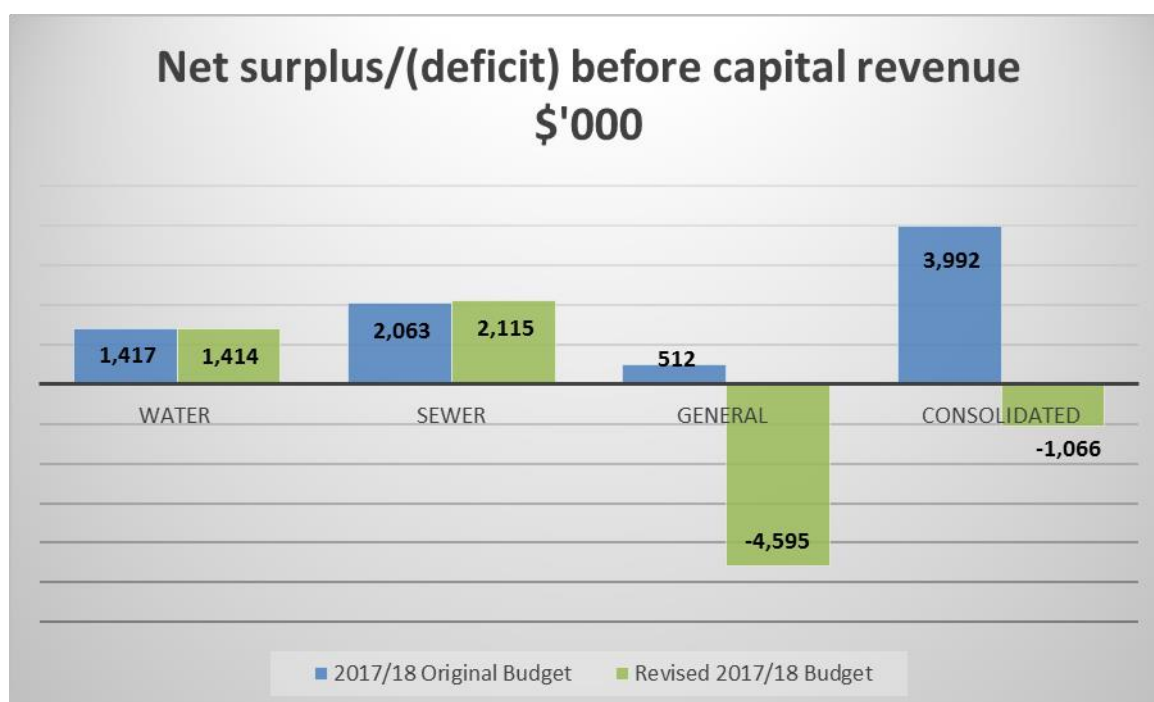
Significant adjustments (individually over \$0.1 million) to operational items include:

- A reduction in anticipated Financial Assistance Grant funding in 2017-18 due to the early receipt (in 2016-17) of part of the current year's allocation (\$3.3 million unfavourable)
- The recognition of Roads to Recovery Funding received (\$0.74 million favourable)
- To reflect final NSW and Rural Fire Fighting funds to be received (\$0.25 million favourable)

Table 1.2 Net surplus/ (deficit) before capital revenue

Fund	2017/18 Original Budget '\$000	Opening Revotes '\$000	September Review '\$000	Revised Budget '\$000
Water	1,417	(3)	0	1,414
Sewer	2,063	0	52	2,115
General (including Environment & Waste)	512	(2,878)	(2,230)	(4,595)
Consolidated	3,992	(2,881)	(2,178)	(1,066)

Graph 1.2 Net surplus/ (deficit) before capital revenue



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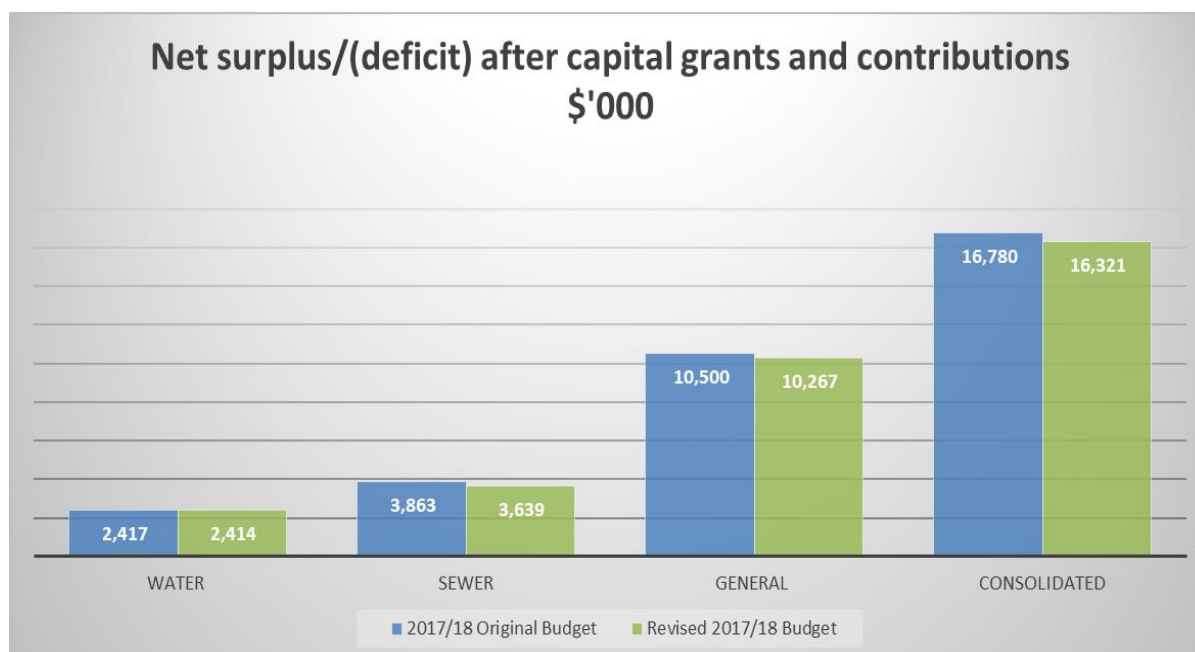
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The original budget for 2017-18 predicted an income statement surplus of \$16.78 million after allowing for capital grants and contributions. The revised budget, incorporating the September review amendments and approved revotes from 2016-17, is \$16.32 million after capital revenues (per table 1.3 and graph 1.3 below).

Table 1.3 Net surplus/(deficit) after capital revenue

Fund	2017/18 Original Budget '\$000	Opening Revotes '\$000	September Review '\$000	Revised Budget '\$000
Water	2,417	(3)	0	2,414
Sewer	3,863	(276)	52	3,639
General (including Environment & Waste)	10,500	183	(415)	10,267
Consolidated	16,780	(96)	(363)	16,321

Graph 1.3 Net surplus/(deficit) after capital revenue



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

Capital Program

The original capital budget for 2017-18 was \$54.94 million. The revised budget incorporating proposed September review amendments and the carry forward of continuing works from 2016-17 is \$60.88 million (per tables 1.4, 1.5 and graph 1.4 below).

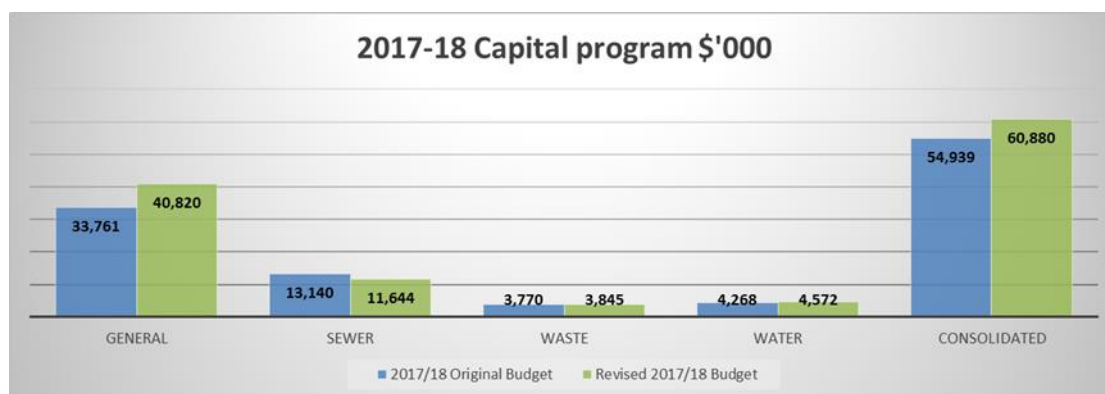
Table 1.4 Capital Program

Original 2017-18 Budget	54,938,519
Revotes	3,586,606
September QBR	2,355,360
Revised 2017-18 Budget	60,880,485

Table 1.5 Capital Program per fund

Fund	2017/18 Original Budget '\$000	Opening Revotes '\$000	September Review '\$000	Revised Budget '\$000
General	33,760,519	4,687,629	2,371,360	40,819,508
Waste	3,769,580	75,901	0	3,845,481
Water	4,268,000	319,720	-16,000	4,571,720
Sewer	13,140,420	-1,496,643	0	11,643,777
Total	54,938,519	3,586,606	2,355,360	60,880,485

Graph 1.4 Capital Program per fund



Opening Revotes (capital)

Significant capital projects carried forward to this financial year from the June 2017 budget review include:

- The procurement of large Plant items awaiting final fit out (\$0.86 million)
- Grant funded bridge renewal works continuing (\$0.58 million)
- Land acquisition and associated boatramp works (\$0.47 million)
- Corporate software renewal program ongoing (\$0.49 million)
- South Batemans Bay Link Road works ongoing (\$0.30 million)
- Moruya Cultural Precinct works (\$0.30 million)
- Batemans Bay CBD works (\$0.27 million)

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September Review capital adjustments:

The following capital adjustments have been made during the September quarter and affect the current year's capital program:

- Mostly externally funded Road and Transport network works which include upgrades, flood recovery works, black spot and other safety projects (\$2.99 million)
- Funded construction works at Rural Fire Service facilities (\$0.44 million)

Revotes to 2017-18

One project has been deferred to 2018-19 as detailed below:

- Deferral of the rockwall works at Casey's Beach to allow for finalisation of the coastal hazards study and grant applications to be pursued. (\$1.0 million favourable)

The above project is Special Rate Variation funded, and this funding has been deferred in line with the reprogrammed works.

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

2017-18 is the third year of the SRV program and approximately \$9.57 million of infrastructure works for the year are underway. \$6.72 million of SRV designated funds are being utilised on these works. The majority of the projects have commenced with a due date for completion by the end of the fourth quarter. At 30 September, approximately 21% of the programmed SRV works for this year have been expensed. *Attachment 1 (f)* reports the detailed progress of the capital program showing individual project budgets and expenses with updates as at 30 September 2017. Total expenditure on the SRV designated projects as at 30 September 2017 is \$2.0 million (per Table 1.6 and Graph 1.5 below).

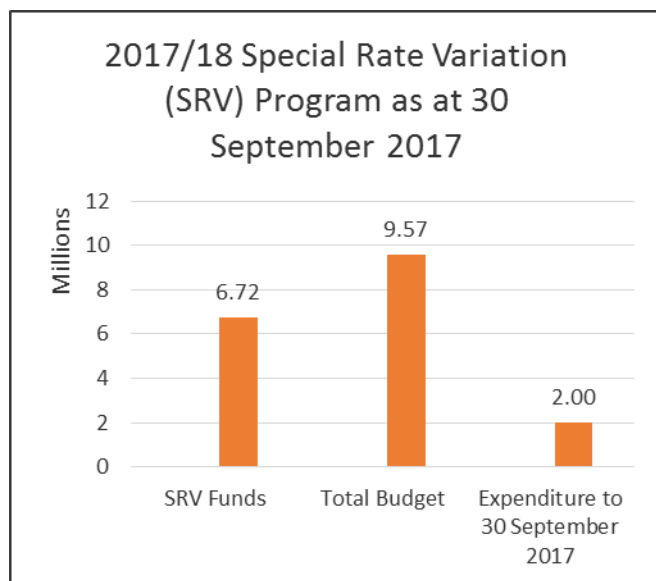
Table 1.6 2017-18 Special Rate Variation Capital Program

2017/18 Special Rate Variation (SRV) Capital Program	\$
SRV Funds	6,721,695
Total Budget	9,566,847
Expenditure to 30 September 2017	2,000,310
Percentage spent	21%

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Graph 1.5 2017-18 Special Rate Variation Capital Program



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 2017.

“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.

Environmental

N/A

Asset

N/A

Social Impact

N/A

Economic Development Employment Potential

N/A

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Financial

Interest rates continue to remain at low levels. The Reserve Bank statements suggest that the rate will continue to be on hold.

CONCLUSION

There are no material concerns at this quarterly review about meeting budget targets for 2017-18.

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 2017 will be satisfactory, having regard to the projected estimates of income and expenditure for the 2017-18 financial year.

Consultancy, Legal and Contractors Expenses
for the quarter ending 30 September 2017

Contracts entered into greater than \$50,000

Contractor	Contract detail & purpose	Contract Value	Commencement Date	Duration of contract	Budgeted (Y/N)
Interflow Pty Ltd	Sewer Rehabilitation & Maintenance Program July 2017 – June 2021 Contract No. 2017/ISD047 - Part A:	800,000	Sep-17	2 years	Y
GMA Waste Water Services Pty Ltd	Sewer Rehabilitation & Maintenance Program July 2017 – June 2021	150,000	Sep-17	2 years	Y
Tox Free Australia Pty Ltd	Sewer Rehabilitation & Maintenance Program July 2017 – June 2021 Contract No. 2017/ISD047 - Part C:	200,000	Sep-17	2 years	Y
Fitt Resources Pty Ltd	Sewer Rehabilitation & Maintenance Program July 2017 – June 2021 Contract No. 2017/ISD047 - Part D: Manhole Refurbishment	75,000	Sep-17	2 years	Y
GMA Waste Water Services	Sewer Rehabilitation & Maintenance Program July 2017 – June 2021	50,000	Sep-17	2 years	Y
Xylem Water Solutions Australia	Supply of UV disinfection unit at ESC Batemans Bay Sewage Treatment Plant with Option to Install	100,000	Aug-17	1 year	Y
KHD Management	Management of Batemans Bay Beach Resort	estimated 1.84 million	Jul-17	3 years	Y
Fulton Hogan Industries Pty Ltd.	Design, supply and laying a 7mm Primer Seal C170 for approximately 22,500 square metres.	approx 99,000	Aug-17	5 weeks	Y
Topnotch Fencing	Supply and install guardrails	approx 86,000	Sep-17	4 weeks	Y
Panel Arrangement - various suppliers	Standing offer for provision of tree management services on Council controlled and managed land	quotes as required	Aug-17	4 years	N

Consultancy and Legal Expenses Incurred

	\$ September Quarter	Budgeted (Y/N)	Comments
Consultants	382,946	Y	Management of construction projects, investigation and design works, technical advice, archaeological advice and input to various strategic planning and environmental projects.
Legal Fees	35,362	Y	Rates recoveries (\$18k), NCAT hearing and other 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 30 September 2017

Indicator	Target	Actual 2016/17	Original Budget 2017/18	Projected FY 2017/18
Unrestricted Current Ratio	> 1.5	2.4	>2	>2
Operating Performance Ratio	minimum 0%	9.70%	3.72%	-1.01%
Buildings & Infrastructure Renewals Ratio	= > 100%	79%	94%	103%

*Refer Note (a)**Refer Note (b)**Refer Note (c)***Fit for the Future update : General Fund (incl. Environment and Waste Funds)**

Indicator	Target	Actual 2016/17	Original Budget 2017/18	Projected FY 2017/18
Operating Performance Ratio (3 year rolling average)	minimum 0%	0.07	0.02	0.04

*Refer Note (d)***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 2016/17 Financial Statements

Notes:

- (a) Actuals from 2016/17 Financial Statements.
- (b) Budgeted ratios are based on the original budgets for 2017/18.
- (c) Projected ratios are based on the revised budgets for 2017/18.
- (d) As per 2016/17 Annual Report

Mayoral and Councillor Fees and Expenses

Attachment 4

July 2017 - Sept 2017

Councillor	Councillor Allowance	Conference / Delegate Costs <i>(Note 1)</i>	Travelling Expenses	Phone / Fax / Internet etc	Training / Skill Development	Other	TOTAL
	\$	\$	\$	\$	\$	\$	\$
Brown	4,827	-	434	145	-	35	5,442
Constable	4,827	92	1,351	180	-	170	6,621
Innes	15,357	177	2,472	291	-	88	18,385
Mayne	4,827	448	148	310	-	-	5,734
McGinlay	4,827	-	343	362	-	-	5,532
Nathan	4,827	-	121	-	-	-	4,949
Pollock OAM	4,827	67	1,276	321	-	-	6,491
Tait	4,827	-	198	126	-	-	5,152
Thomson	4,827	137	2,550	138	-	-	7,653
TOTAL	53,977	921	8,892	1,874	-	293	65,958

Note 1

Conference / Seminar / Delegate Costs also includes LGA expenses.

Eurobodalla Shire Council
Fund Flow Statement
For the period ending 30/09/17

	Original Annual Budget	Previous Reviews	This Review	Revised Annual Budget	YTD Actual
INCOME STATEMENT					
Income	(107,433,284)	(433,668)	2,280,974	(105,585,978)	(68,239,264)
Expenses	103,440,787	3,314,319	(103,220)	106,651,886	19,107,402
Net Ordinary Surplus before Capital Rev	(3,992,497)	2,880,651	2,177,754	1,065,908	(49,131,862)
					0
Capital Revenue	(12,787,449)	(2,784,661)	(1,814,665)	(17,386,775)	(3,024,945)
					0
Net Surplus(-Deficit)	(16,779,946)	95,990	363,089	(16,320,867)	(52,156,807)
CASH/FUND FLOW STATEMENT					
Operations					
Net Surplus(-Deficit) from above	(16,779,946)	95,990	363,089	(16,320,867)	(52,156,807)
Adjusts for Non Cash/Fund Flows	29,511,689	0	0	29,511,689	23,083
	(46,291,635)	95,990	363,089	(45,832,556)	(52,179,890)
Investing					
Proceeds from Asset Sales	(286,743)	(123,765)	0	(410,508)	(86,463)
Repayments from Defferred Debtors	(20,000)	0	0	(20,000)	(16,587)
Purchase of Assets	54,938,519	3,586,606	2,355,360	60,880,485	12,372,191
	54,631,776	3,462,841	2,355,360	60,449,977	12,269,141
Financing					
Proceeds from Borrowing	(15,696,119)	0	(263,267)	(15,959,386)	0
Repayments of Borrowings	9,079,416	0	111,929	9,191,345	1,112,543
	(6,616,703)	0	(151,338)	(6,768,041)	1,112,543
Net Inc(-Dec) in Funds Before Transfers	1,723,438	3,558,831	2,567,111	7,849,380	(38,798,205)
Transfers From/To Restricted Funds	(1,107,594)	(4,215,649)	(2,504,112)	(7,827,354)	(6,301,707)
Net Inc(-Dec) in Unrestricted Funds	615,845	(656,818)	62,999	22,026	(45,099,913)

Eurobodalla Shire Council
Consolidated Income Statement
For the period ending 30 September 2017

	Original Annual Budget	Previous Reviews	This Review	Revised Annual Budget	YTD Actual
INCOME STATEMENT					
Income					
Rates & Annual Charges	(61,122,223)	0	0	(61,122,223)	(61,060,001)
User Fees and Other	(28,939,746)	(19,150)	72,000	(28,886,896)	(4,810,104)
Investment Revenue	(3,164,000)	0	0	(3,164,000)	(652,241)
Grants	(14,207,314)	(414,518)	2,208,974	(12,412,858)	(1,712,808)
Capital Grants & Contributions	(12,787,449)	(2,784,661)	(1,814,665)	(17,386,775)	(3,024,945)
Gain/(Loss) on Disposal	0	0	0	0	(4,110)
Total Income	(120,220,733)	(3,218,329)	466,309	(122,972,752)	(71,264,209)
Less Expenses					
Business Development & Events	5,143,748	85,699	72,327	5,301,774	770,340
Communication	598,233	(3,000)	0	595,233	126,334
Community Care	5,470,508	165,112	0	5,635,620	1,334,250
Community Spaces	10,323,546	14,249	(39,592)	10,298,203	1,292,114
Development Services	3,646,122	0	0	3,646,122	691,393
Executive Services	1,691,507	34,543	0	1,726,050	404,374
Finance & Governance	6,001,411	179,130	39,118	6,219,659	2,050,297
Integrated Planning	278,758	23,300	0	302,058	56,621
Land Use and Natural Environment Planning	1,686,516	7,384	(2,700)	1,691,200	323,973
Libraries, Arts & Culture	1,975,794	90,545	0	2,066,339	341,903
Organisation Development	1,540,662	277,070	0	1,817,732	298,018
Organisation Support	(6,087,800)	120,551	43,757	(5,923,492)	2,899,942
Public & Environmental Health and Safety	3,509,235	6,000	202,000	3,717,235	792,248
Sewer Services	18,265,812	0	(52,065)	18,213,747	2,176,479
Social Inclusion	3,229,703	152,587	(16,168)	3,366,122	638,874
Sustainability	822,098	1,934,409	0	2,756,507	266,906
Tourism	1,381,243	0	0	1,381,243	265,631
Transport, Stormwater & Flood Management	17,988,393	223,740	(339,295)	17,872,838	1,643,849
Waste Management	10,243,608	0	(10,602)	10,233,006	1,505,570
Water Services	15,731,689	3,000	0	15,734,689	1,228,287
Total Expenses	103,440,787	3,314,319	(103,220)	106,651,886	19,107,402
Net Ord Surplus (Deficit) after Capital Rev	16,779,946	(95,990)	(363,089)	16,320,867	52,156,807
Net Ord Surplus (Deficit) before Capital Rev	3,992,497	(2,880,651)	(2,177,754)	(1,065,908)	49,131,862

Eurobodalla Shire Council
Capital Program Statement
For the period ending 30 September 2017

	Original Annual Budget	Previous Reviews	This Review	Revised Annual Budget	YTD Actual
Business Development & Events	3,782,619	28,379	-	3,810,998	181,054
Communication	-	-	-	-	-
Community Care	-	-	-	-	-
Community Spaces	4,181,326	1,211,924	103,625	5,496,875	991,669
Development Services	-	-	-	-	-
Executive Services	-	-	-	-	-
Finance & Governance	-	-	-	-	-
Integrated Planning	-	-	-	-	-
Land Use and Natural Environment Planning	250,000	-	-	250,000	-
Libraries, Arts & Culture	1,602,908	330,916	-	1,933,824	24,353
Organisation Development	-	-	-	-	-
Organisation Support	6,100,623	1,909,713	125,000	8,135,336	931,095
Public & Environmental Health and Safety	-	522	435,000	435,522	5,113
Sewer Services	13,140,420	(1,496,643)	-	11,643,777	4,182,449
Social Inclusion	-	-	-	-	530
Sustainability	-	-	-	-	26,247
Tourism	-	-	-	-	-
Transport, Stormwater & Flood Management	17,843,043	1,206,175	1,707,735	20,756,953	4,429,394
Waste Management	3,769,580	75,901	-	3,845,481	919,199
Water Services	4,268,000	319,720	(16,000)	4,571,720	681,090
Total Capital Expenditure	54,938,519	3,586,606	2,355,360	60,880,485	12,372,191

Eurobodalla Shire Council
Projected Fund Balances Statement
For the period ending 30 September 2017

	Opening Balances	Original Budget	Previous Reviews	This Review	Revised Budget	Closing Balances
Unrestricted Funds	22,565,000	(3,049,437)	1,153,774	(112,725)	(2,008,388)	20,556,612
Externally Restricted						
Water Fund	20,693,222	3,387,339	(266,882)	16,000	3,136,456	23,829,678
Sewer Fund	15,553,730	850,163	(177,916)	26,097	698,344	16,252,074
Waste Fund	9,760,975	(1,803,910)	(52,158)	7,629	(1,848,439)	7,912,537
Rest Inv - Other Developer Contributions, Total	5,957,140	780,891	(55,837)	-	725,054	6,682,193
Rest Inv - Tree Fund, Total	25,904	(5,233)	-	-	(5,233)	20,671
Rest Inv - Unexpended Grant, Total	4,651,445	(158,998)	(2,191,027)	(299,822)	(2,649,847)	2,001,599
Rest Inv - CS Asset Replacement, Total	27,231	-	-	-	-	27,231
Rest Inv - Unexpended Loans, Total	(433,853)	-	318,559	115,294	433,853	0
Rest Inv - Crown Reserve (General), Total	2,096,755	55,892	-	-	55,892	2,152,647
Rest Inv - Crown Reserve Loan Pool, Total	137,228	2,000	-	-	2,000	139,228
Rest Inv - Sinking Funds, Total	-	-	-	-	-	-
Rest Inv - Contributions, Total	1,165,186	-	(496,312)	-	(496,312)	668,874
Rest Inv - S94A Contributions, Total	1,067,646	30,000	-	-	30,000	1,097,646
Rest Inv - Stormwater Fund, Total	50,178	52	-	-	52	50,230
Rest Inv - Voluntary Planning Agreements, Total	-	-	-	-	-	-
Total External Restricted Funds	60,752,785	3,138,197	(2,921,573)	(134,802)	81,821	60,834,607
Internal Restricted Funds						
Rest Inv - Employee Leave Entitlements, Total	1,755,173	75,000	-	-	75,000	1,830,173
Rest Inv - Infrastructure Renewals, Total	3,889,009	1,277,104	-	-	1,277,104	5,166,113
Rest Inv - Unexpended General Fund Loans, Total	1,044,002	-	(1,191,979)	147,973	(1,044,006)	(4)
Rest Inv - Works Income Equalisation Fund, Total	1,599,713	(1,477,011)	30,356	64,176	(1,382,479)	217,234
Rest Inv - Council Funded Loan Pool, Total	99,969	3,400	-	-	3,400	103,369
Rest Inv - Other Internal Restrictions, Total	3,397,875	(673,080)	1,078,691	(17,470)	388,141	3,786,016
Rest Inv - Infrastructure Fund, Total	991,913	(378,593)	(129,391)	(194,000)	(701,984)	289,928
Rest Inv - Gravel Pits, Total	474,783	-	-	-	-	474,783
Rest Inv - Airport, Total	-	-	-	-	-	-
Rest Inv - Sports Liaison, Total	144,500	19,300	(138,240)	-	(118,940)	25,560
Rest Inv - Management Committees, Total	120,551	7,145	(135,951)	-	(128,806)	(8,255)
Rest Inv - Real Estate Disposal Fund, Total	1,926,853	(658,015)	(36,471)	-	(694,486)	1,232,367
Rest Inv - Energy and Efficiency Fund, Total	486,787	6,776	(80,000)	11,000	(62,224)	424,563
Rest Inv - Interest Equalisation Fund, Total	-	-	-	-	-	-
Rest Inv - Community Development Infrastructure Fund, Total	337,626	(300,000)	-	-	(300,000)	37,626
Rest Inv - IT Investment Fund, Total	708,926	(162,323)	(635,465)	-	(797,788)	(88,862)
Rest Inv - Carbon Tax Fund, Total	-	-	-	-	-	-
Rest Inv - Financial Assistance Grant, Total	3,348,520	-	-	(3,348,521)	(3,348,521)	(1)
Rest Inv - Recreation Strategy Land Sales, Total	478,789	(270,831)	-	-	(270,831)	207,958
Rest Inv - Special Rates Variation, Total	179,426	718,930	(552,581)	1,017,258	1,183,607	1,363,033
Total Internal Restricted Funds	20,984,414	(1,812,198)	(1,791,032)	(2,319,584)	(5,922,813)	15,061,601
Total Funds	104,302,199	(1,723,438)	(3,558,831)	(2,567,111)	(7,849,380)	96,452,819

Eurobodalla Shire Council
Budget Adjustments individually > \$50 000
For the quarter ending 30 September 2017

Fund	Cost Centre	Fund Flow Type	Description	Favourable/ (Unfavourable)	Explanation
WASTE FUND					
	Individual minor items	Various	Minor adjustments this review	7,629	Various minor adjustments
	Total adjustments for Waste Fund this quarter			<u><u>7,629</u></u>	
WATER FUND					
	Individual minor items	Various	Minor adjustments this review	16,000	Various minor adjustments
	Total adjustments for Water Fund this quarter			<u><u>16,000</u></u>	
SEWER FUND					
	Individual minor items	Various	Minor adjustments this review	26,097	Various minor adjustments
	Total adjustments for Sewer Fund this quarter			<u><u>26,097</u></u>	
GENERAL FUND					
Fire Control	Revenue		Contributions	152,000	NSW Rural Fire Service contributions for operations.
	Expenditure		Eurobodalla Training Centre and other	(152,000)	Expenditure at the Eurobodalla Training Centre and general operations.
	Capital Revenue		Rural Fire Service capital allocations	435,000	To record funding from the Rural Fire Service for construction and project management costs
	Capital Expenditure		Rural Fire Service capital works	(435,000)	Expenditure relating to RFS works commencing this year
Ageing, Disability & Home Care	Revenue		Grants - Community Care Services	(301,896)	Refund of prior year Department of Health & Ageing unexpended grants.
	Restricted fund transfer		utilise available funds	301,896	Utilise restricted prior year surpluses to refund the Department of Health and Ageing as required.
Economic Development	Expenditure		Contractor and Consultant costs	(72,273)	Part funding required for work on <i>Invest Eurobodalla</i> and Government Agency Relocation projects
General Rates & Revenues	Revenue		Financial Assistance Grants	(2,477,564)	To recognise a decrease in 2017-18 Financial Assistance Grant (FAG) funding due to prepayment received
	Restricted fund transfer		Financial Assistance Grants	2,561,416	Less restricting of funds due to prepayment received
Aerodrome	Revenue		Lease rental income	(72,000)	Reduction to projected FTF strategy commercial lease income due to construction of new airport facilities.
Animal Impounding and Control	Expenditure		Consultancies	(50,000)	Funding required for consultant to complete the Companion Animal Management Plan
Parks & Reserves	Grants revenue		RFS funding for hazard control	94,300	Rural Fire Service fire fighting and bush fire mitigation funding.
	Expenditure		Fire hazard works	(94,300)	Rural Fire Service fire fighting and bush fire mitigation.
Sports and Recreation	Expenditure		Pools Contract	182,530	Revise contract costs for swimming pool management.
	Restricted fund transfer		Restrict savings	(182,530)	Restrict reduction in management costs for future reinvestment in pools.
Bridges Capital Works	Capital Expenditure		Bridge Replacement	(202,021)	Culvert upgrade supported by grant funding.
	Capital Revenue		Grants income	202,021	To recognise grant from Department of Infrastructure and Regional Development
	Capital Revenue		Financial Assistance Grants (FAG)	(84,680)	Recognise reduced grants income this year due to prepayment of FAG received in 2016-17.
	Restricted fund transfer		Utilise restricted FAG funding	84,680	Recognise additional utilisation from restricted funding from prepaid FAG grants.
Carparking	Capital Expenditure		Library carpark renewal	(194,000)	Recognise final funding required exceeding predesign estimate.
	Restricted fund transfer		Utilise restricted Infrastructure Funding	194,000	Use Infrastructure funding for carpark renewal works at Batemans Bay library.

General Fund continued on next page.

Eurobodalla Shire Council
Budget Adjustments individually > \$50 000
For the quarter ending 30 September 2017

Fund	Cost Centre	Fund Flow Type	Description	Favourable/ (Unfavourable)	Explanation
General Fund continued					
	Foot Paving	Capital Expenditure Capital Revenue	Shared Pathway works Grants income	(70,000) 70,000	Shared pathway works supported by Roads and Maritime Services Active Transport program Roads and Maritime Services Active Transport grant for use on McMillan Road.
	Local Flood Rehabilitation Works	Expenditure Grants revenue Grants revenue	Flood recovery rehabilitation works RMS funding for flood recovery works RMS contributions for prior year works	(104,490) 104,490 141,982	Various non capital emergency works supported by RMS Flood Recovery Funding Roads and Maritime Services funding for Severe Weather Recovery work Recognise RMS contributions relating to 2015-16 flood recovery expenditure.
	Local Flood Capital Works	Capital Expenditure Capital Revenue	Flood recovery Capital works RMS contributions	(271,750) 242,750	Various capital emergency works supported by RMS Flood Recovery Funding Roads and Maritime Services contribution towards Severe Weather Recovery
	Resheet, Reseal and Reconstruction works	Capital Expenditure Grants revenue Capital Revenue Restricted fund transfer	Local Urban road works RMS funding for road works Financial Assistance Grants (FAG) Utilise restricted FAG funding	(741,509) 741,509 (572,330) 572,330	Local Urban resheet and reseal works funded by Roads to Recovery grant Roads to Recovery grant funding for Local Urban resheet and reseal works Recognise reduced grants income this year due to prepayment of FAG received in 2016-17. Recognise additional utilisation from restricted funding from prepaid FAG grants.
	Local Rural Roads - Guardrail works	Capital Expenditure Grants revenue	New Guardrail and road widening Grants revenue recognition	(865,000) 865,000	Guardrail works and road widening activities funded by RMS Black Spot and Safer Local Roads funding RMS Black Spot and Safer Local Roads funding for guard rail works and road widening
	Local Rural Road construction	Capital Revenue	Grants revenue recognition	520,000	Estimate revised to reflect current NSW Government (Roads & Maritime Services) project funding.
	Street Lighting	Expenditure Restricted fund transfer	Reduction in street lighting funds required Restrict Efficiency savings	55,000 (11,000)	Reduced streetlight electricity costs as a result of installing more efficient LED lighting systems Restrict 20% of energy savings for future efficiency initiatives
	Kings Highway works - general	Expenditure Revenue Restricted Funds transfer	Works supported by RMS Contributions from RMS Transfer in of net funds received from RMS	46,176 18,000 (64,176)	Reduction in anticipated cost of works on the Kings Highway. Contributions received towards current incidents and work requests from RMS Reduced utilisation of restricted funding required for Kings Highway incidents and work orders
	Information Services	Expenditure Capital Expenditure	Licencing and internet costs New hardware	(53,500) (125,000)	Recognise increased PABX system licencing and additional internet costs Additional funds required for mobiles, tablets and backups to meet current corporate requirements.
	Plant and equipment	Restricted Funds transfer	Funding of new plant	200,000	Recognise additional funds available to fund backlog of plant in line with additional recoveries in 2016-17
	General Controls	Proceeds from borrowings Restricted Funds transfer	Borrowings Program Utilisation of prior period borrowings	(140,473) 140,473	Recognised reduced borrowing requirements due to prior year unexpended funding being available. Recognise use of funding raised in prior years to fund current works.
	Revotes				
	Local Urban Roads construction	Capital Revenue	Revote to 2018-19	(560,908)	Funding for some milestones deferred to 2018-19 in line with programmed works
	Rockwalls	Capital Expenditure Restricted Funds transfer	Revote to 2018-19 SRV funding Revote to 2018-20	1,006,324 (1,006,324)	Construction deferred to allow for finalisation of coastal hazards study and grants to be pursued Utilisation of SRV funding deferred to 2018-19 in line with program timing.
	Individual minor items	Various	Minor adjustments this review	(139,878)	Various minor adjustments
	Total adjustments for General Fund this quarter			(112,725)	

Eurobodalla Shire Council
Special Rate Variation Projects Schedule
For the Period ended 30 September 2017

Attachment 1 (f)

Project	Location	Project Code	2017-18 SRV Funds	2017-18 Total Budget	2017-18 Total Costs YTD	Remainder	Percent	Progress update
Transport								
Corrugated Pipe Culverts - various locations		BR725	\$305,400	\$305,400	\$19,484	\$285,916	6.38%	Design in progress. Grant application lodged.
Box Culvert Widening - Cullendulla Dr. Long Beach		BR726	\$385,400	\$587,421	\$54,719	\$532,702	9.32%	Grant successful under Australian Government bridge program \$202k. Grant application lodged under Fixing Country Roads
South Durras Bridge Repairs and Guardrail Durras Drive		BR727	\$279,950	\$279,950	\$0	\$279,950		Consultant engaged
Piped Culverts - Durras Drive, South Durras		BR728	\$25,450	\$25,450	\$11,064	\$14,386	43.47%	Works in progress
Drainage Renewals - Shirewide		PA121	\$291,873	\$328,495	\$17,388	\$311,108	5.29%	Works in progress
Drainage - Hanging Rock Place	Batemans Bay	PA2272	\$10,930	\$10,930	\$6,400	\$4,530	58.55%	Works in progress
Stormwater Piping - Renewals Andrew Ave, Tuross	Batemans Bay	PA3011	\$106,622	\$120,000	\$26,897	\$93,103	22.41%	Works in progress
Batemans Bay streetscaping	Batemans Bay	PA525	\$267,505	\$267,505	\$612,057	(\$344,552)	228.80%	Project across multiple years. Scope of works increased
Gravel Resheeting	Various	total Gravel Res	\$113,812	\$1,319,300	\$352,926	\$76,708	8.63%	Works in progress
Low Cost Reconstruction - Old South Coast Road		TR5371	\$81,334	\$81,334	\$81,579	(\$245)	100.30%	Complete
Low Cost Reconstruction - Wamban Road		TR5111	\$808,333	\$808,333	\$1,815	\$806,518	0.22%	Design in Progress
Reseal - Local Urban Sealed	Various	total Reseal Proj	\$412,146	\$1,950,170	\$214,086	\$1,736,083	10.98%	Works in progress
Shared Pathway - Beach Road Surf Beach		TR6320	\$54,000	\$85,000	\$22,085	\$62,915	25.98%	Works in progress
Halls & Buildings								
Narooma Library - Replace Doors with Electric		RC9842	\$10,000	\$10,000	\$0	\$10,000		Contractor engaged
Moruya Library - Renewals		RC9913	\$30,000	\$120,000	\$0	\$120,000		Tenders called
Malua Bay Community Centre	Malua Bay	RS4153	\$119,302	\$119,302	\$4,157	\$115,145	3.48%	Awaiting DA approval.
Halls, Library & Community Centres-Asbestos Removal	Dalmeny	RS40161	\$30,000	\$30,000	\$0	\$30,000		
Sporting facilities								
Sporting Fields - topdressing/renovation	Various	RS0031	\$13,175	\$22,291	\$0	\$22,291		
Moruya Pool - Epoxy Finishes		RS7207	\$76,000	\$76,000	\$0	\$76,000		
Kyla oval - Sailing Shed	Tuross Head	RS1510	\$4,375	\$4,375	\$8,785	(\$4,410)	200.80%	Order to be removed
Moruya Showground - Construct Parking		RS14603	\$414,530	\$414,530	\$0	\$414,530		Design concept developed as part of Masterplan
Moruya Showground - Pavillion Renewals		RS14608	\$30,000	\$30,000	\$0	\$30,000		
Mackay Park- Field Expansion and Rebuilding	Narooma	RS1204	\$49,004	\$201,179	\$146,721	\$54,459	72.93%	Works in progress
Gundry Oval Amenities - Kitchen upgrade & BBQ	Moruya	RS14013	\$25,000	\$25,000	\$0	\$25,000		Grant application lodged
Gundry Oval Masterplan - Amenities	Moruya	RS1407	\$310,897	\$310,897	\$0	\$310,897		Grant application lodged
Sporting Amenities/Facilities		RS181	\$3,967	\$3,967	\$0	\$3,967		Works in progress
Public reserves - general								
Tuross Boat Ramp Renewal - dredging	Tuross Head	BR911	\$31,090	\$31,090	\$295	\$30,794	0.95%	Permits sought
Car Park - Extend Road & Parking Riverside Park	Moruya	TR7987	\$207,265	\$207,265	\$658	\$206,606	0.32%	Design in progress

SRV Schedule continued on next page

**Eurobodalla Shire Council
Special Rate Variation Projects Schedule
For the Period ended 30 September 2017**

Attachment 1 (f)

Corrigans Beach Reserve Batehaven Car Park Upgrade	Batehaven	RS0842	\$280,815	\$390,000	\$7,996	\$382,004	2.05%	Design complete
Observation Point, Batehaven Viewing Platform	Batehaven	RS044	\$129,541	\$129,541	\$0	\$129,541		Design complete. Grant application lodged
Quota Park Narooma - Playground Renewals		RS065	\$33,000	\$75,000	\$0	\$75,000		
North Broulee Park - Playground Renewals		RS066	\$9,000	\$20,000	\$0	\$20,000		
Congo - Playground Renewals		RS067	\$20,000	\$45,000	\$0	\$45,000		
Public Toilets - Durras Lake Boatramp New Toilet		PA443	\$77,749	\$77,749	\$1,382	\$76,367	1.78%	Grant application lodged
Public Toilets - Ken Rose Park Narooma Disabled Toilet		PA452	\$52,000	\$250,000	\$140,512	\$109,488	56.20%	Works in progress
Captain Oldrey Amenities Disabled Toilet, Security	Broulee	RS1306	\$88,088	\$88,088	\$0	\$88,088		
Beach Road (Caseys Beach) Rockwall St 1		EN2941	\$1,036,324	\$1,036,324	\$0	\$1,036,324		Deferred to 2018-19 to allow matching grants to be pursued following completion of coastal hazards study
Carters Headland, Kianga - Viewing Platform		RS091	\$39,116	\$39,116	\$0	\$39,116		Design complete
Gundry Oval - Expansion of playground	Moruya	RS092	\$30,312	\$30,312	\$85,428	(\$55,116)	281.83%	Works complete across multiple years - additional work to include natural play elements and accessible pathways in new playground
Parks Facilities Renewals - Seats/tables		RS023	\$62,190	\$165,000	\$88,960	\$76,040	53.92%	Works in progress
Project Management Costs		ZO0704	\$377,884	\$377,884	\$67,128	\$310,756	17.76%	Works in progress
Total			\$ 6,721,695	\$ 9,566,847	\$ 2,000,310	\$ 7,566,537	20.91%	